

THE  
MERCHANTS' MAGAZINE  
AND  
COMMERCIAL REVIEW

AUGUST, 1869.

OUR IMPORTS AND EXPORTS.

We cannot sympathize with the disposition shown in some quarters to underrate the importance of our foreign trade returns, as an index of the balance of accounts between our own and foreign countries. The trade statistics of the country are now placed in charge of a special bureau, and appear to be compiled with the greatest attainable accuracy. It is true, the official returns necessarily omit some items of importance in our account with foreign nations; such, for instance, as the movement in bonds and other securities, the arrivals of gold by immigrants, and the amounts taken out by travelers to Europe, the interest payable upon foreign capital employed here and the ocean freights upon our importations. Our comparative ignorance of these items, however, affords no reason for rejecting information upon the more important movements which constitute four-fifths of our whole transactions with other nations.

Some weeks ago, we took occasion to indicate that, while our imports were gaining largely, there was an important decrease in our exports. This tendency toward an adverse trade balance was continued up to about the close of May; when our exports were enlarged by free shipments of breadstuffs and our imports began to exhibit a moderate decline. Returns just issued by Mr. Francis A. Walker, in charge of the Bureau of

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Statistics, enable us now to form a close approximate estimate of the course of the foreign trade for the first nine months of the past fiscal year, *i. e.*, from July 1, 1868, to March 31, 1869.

We present the following statements, compiled from the official returns, including specie in both the imports and exports, the exports being reduced to gold value in the Government statement so as to compare upon even terms with the imports, which are always entered in specie values:

(1.) IMPORTS AND EXPORTS OF THE UNITED STATES (SPECIE INCLUDED) FOR THE NINE MONTHS ENDING MARCH 31, 1869.

	Imports.		Imports.
July, 1868.....	\$35,849,916	Dec., 1868.....	\$21,569,176
Aug., " .....	34,539,797	Jan., 1869.....	30,112,634
Sept., " .....	34,538,775	Feb., " .....	26,173,726
Oct., " .....	32,297,545	March, " .....	50,195,834
Nov., " .....	28,908,580		
Total imports—nine months.....	\$303,598,503		

	Exports—Gold value—	
	Dom. exports, produce and merchandise gold.	Re-exports, and gold.
July, 1868.....	\$23,746,354	\$1,640,670
Aug., " .....	19,749,787	1,765,685
Sept., " .....	17,741,801	1,520,042
Oct., " .....	22,454,419	1,558,378
Nov., " .....	28,865,795	1,035,807
Dec., " .....	32,701,950	1,642,707
Jan., 1869.....	27,655,515	1,283,610
Feb., " .....	29,840,223	2,227,540
March, " .....	24,182,587	3,916,934
Totals—nine months.....	\$227,933,691	\$15,919,463
Add re-exports.....	15,919,463	
Total exports—gold value.....	\$243,853,154	

Later reports bring the movement down to the close of April. The imports for that month, are stated at \$52,176,828, and the exports at \$42,607,341 in mixed currency, while the re-exports are given at \$2,980,351, principally in gold value. Reducing the exports for this month to gold value we should have the following as the trade movement for the ten months ending April 30, 1869 :

(2.) IMPORTS AND EXPORTS OF UNITED STATES FOR TEN MONTHS ENDING APRIL 30, 1869

*Imports, specie included.*

For nine months ending March 31, 1869.....	\$303,598,503
For month of April, 1869.....	52,176,828
Total imports—ten months.....	\$356,775,331

*Exports and re-exports, specie included.*

For nine months ending March 31, 1869.....	\$243,853,154
For month of April, 1869 .....	35,905,000
Total exports—ten months.....	\$279,763,154

(3.) RECAPITULATION.

Total imports for the ten months.....	\$356,775,331
Total exports for the ten months.....	279,763,154
Excess of imports, gold value.....	\$77,012,177
<i>4. Import and Exports for ten months ending April 30, 1869.</i>	
Imports, specie included, gold value.....	\$204,306,000
Exports, specie included, gold value.....	304,995,000
Excess of exports, gold value.....	\$659,00

The statistical results here presented are not such as could have been desired; and but for the large increase in the imports at our own port and a proportionate decrease in the exports both of produce and specie, for some months past, we should have been disposed to question the accuracy of the official returns. It appears that while the imports for the ten months have reached \$356,700,000, the exports have been only \$279,700,000, showing an adverse balance, upon the trading account, of \$77,000,000 in gold.

This result is the more remarkable from the fact that the period covers the export of nearly our whole surplus of cotton, which this year realized very high prices, and the shipments of which, for nine months out of the ten, amounted to 497,500,000 pounds. In nearly every other article of export there has been a material decrease, the net result being that, for the ten months, the exports are \$25,232,000 in gold value less than for the same period of last year; while, on the other hand, the imports for the same period, are \$52,469,000 higher. The trade movement for the corresponding months of 1867-8 shows an almost even balance, the exports, as will be seen from table 4, being \$689,000 in excess of the imports.

There are, however, other items which require to be added to the debtor side of the account. Our interest account has now become a weighty one. It is very generally estimated that over \$900,000,000 of United States bonds are now held in Europe; on which the annual interest amounts to about \$55,000,000 in gold; while, upon other miscellaneous stocks and bonds held abroad, the interest and dividends cannot amount to less than \$10,000,000 in gold, making a total of interest payments to Europe of \$65,000,000 per annum. Adding the proportion of this item, say \$52,000,000 for the ten months, to the adverse commercial balance, we are found to stand debtor to other countries about \$129,000,000 on the ten months' transactions. The freight account upon our imports and exports is by no means unimportant, as two thirds of our trade is done in foreign bottoms; but this is an item too indefinite to admit of estimate.

The main contribution toward the liquidation of this balance consists of shipments of securities. As, however, there is no other record of these remittances than such as exists in the private accounts of the shippers, it is impossible to present any accurate statement of this movement. We have taken some pains to ascertain the views of prominent foreign bankers upon the amount of this item, and as those firms are accustomed to compare estimates, their opinions possess considerable weight, and may be regarded as very nearly correct. The average estimate of these parties does not exceed \$100,000,000, for, the ten months under review representing about \$72,500,000 in gold. This, too, probably is an extreme estimate; and it is proper to remark that it exceeds the figures suggested by firms who have sent out a large proportion of the whole exports of securities.

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Some allowances should be made for the fact that a certain amount of our imports are consigned here on foreign account, and that the remittances against such consignments, after allowing for losses and charges are sometimes considerably below the value at which the goods were entered at the Custom House. But, on the other hand, it is to be considered that, in some cases, the amount realized upon this class of importations exceeds their invoiced value; and, indeed, it is reasonable to suppose that the consignments would not be continued from year to year were there not, upon the average, a profit to the consignors. Nor is it to be overlooked that there is a certain extent of under-invoicing importations, in order to reduce the aggregate duties upon them; in which cases, the remittances exceed the value entered at the Custom House. But again on the other hand, there is an average profit upon our consignments of products to other countries, which may be taken as setting off the profits upon foreign consignments to our own ports. Upon the whole, then, it would appear that the only items really necessary to be taken into the account are the imports and exports of produce and specie, the indebtedness accruing in the way of interest upon foreign capital invested here, and the shipments of securities. Above, we have presented the figure representing each of these items; and, if the estimate of the exports of securities can be accepted as approximating the truth, it would follow that, at the close of the ten months, there was a net balance against the country of about \$60,000,000 in gold. This may seem a very undesirable, not to say dangerous, condition of accounts. It is not, however, the first time, within the last four or five years, that we have found ourselves in such a position. For the first two years after the close of the war, our imports ran constantly very largely in excess of our exports; yet we then found it practicable to settle our balances by remittances of securities. Assuming that the European money markets are open to receive our bonds to as large an extent as during late years of over-trading, there would seem to be nothing in this adverse balance to cause immediate uneasiness. Under the circumstances, however, it is impossible not to feel some solicitude as to the present disposition of European capitalists to increase their investments in our securities. The latest advices from Frankfort represent a reaction as having set in upon the Continental Bourses from the late speculative excitement, and that the markets are well supplied with our bonds; how far this may prove to be temporary, remains to be seen. During the remaining two months of the fiscal year it is likely that this adverse balance will be decreased somewhat through increased exports of breadstuffs, as our imports are now on a reduced scale.

## THE FUTURE PRODUCTION OF COTTON.

BY B. F. NOURSE.\*

## PAST ACCUMULATION OF WEALTH FROM THE PRODUCTION OF COTTON.

During the ten years 1851-1860, the crops produced in the cotton-growing States, (cotton, sugar, tobacco, rice, &c.,) not consumed at home, left a surplus of proceeds from sales amounting to about \$1,200,000,000, an average of \$120,000,000 per year, which, less the amount required to be expended beyond their borders for the comforts or luxuries of life, should have been so much added to the reproductive capital within those States. If one-half only was thus required, the other half, or \$60,000,000 per year, should have been put to profitable use.

Throughout the Southern States some internal improvement was in progress, chiefly in the form of railroads. In some States, as in Georgia, these works had been largely extended. Cheaply built and economically operated, they generally proved to be profitable investments, capable of rapidly repaying the loans incurred for their construction, which in many cases covered a great part of the cost.

A large amount of banking capital was well employed, but this, when not owned abroad, was chiefly the product of the commissions and other charges upon the produce of the country, and not to any considerable extent drawn from the accumulating capital of planters.

The capital which had built the few cotton and other factories and the machine shops had also accrued chiefly from charges upon the productions of the country. What, then, was done with the \$60,000,000 or whatever other sum represented the true annual gains of agriculture in these States? The statistics of population show pretty clearly that a great part of it was expended in importing slaves from other States.†

## PRESENT AND FUTURE INCREASE OF WEALTH IN COTTON STATES.

When considering this subject in its economical aspect only, special effects bearing upon individuals or classes are to be disregarded for the general results affecting the whole community.

Population is wealth. Money sent from Alabama to Virginia to increase the laboring power of Alabama, even by importing slaves at \$2,000 each, added in some degree to the wealth of that State. But if laborers of equal productive power could have been introduced without expending any thing for them, the capital expended in the other case would have been saved, and the community would have gained its use in some other form of productive power, as in tools, machinery or ani-

\* This is taken from advanced sheets of Mr. Nourse's report on cotton, as Commissioner to the Paris Universal Exposition.

† See Atkinson's "Cheap Cotton by Free Labor," page 30, and DeBow's Analysis of the Census of 1850 quoted in the former.

mal labor, with which to supplement and increase the value of manual labor. To the whole people, or the State, that is just the difference, in the *investment*, between importing a slave and importing a free laborer of equal capacity. There are other differences to the State, scarcely less important in an economical view, all in favor of the free laborer. Whatever the cotton-producing States expended for slaves above the cost of importing an equal amount of free-labor power was twice lost to the community.

Reckoning the slaves in the cotton States prior to 1861 at 3,000,000 in number, of the average nominal value of \$500, equal to 1,000,000 full hands, at \$1,500 each, we had an investment of \$1,500,000,000; and to replenish this force a large sum, much needed for other uses, was annually drawn from the gains of those States.

If, in 1860, the people, by unanimous consent, had declared emancipation of all those slaves, whether with or without compensation to those who had owned their service, there would have been neither loss nor gain to the community, except as the change might increase or diminish the efficiency of labor or the cost of its maintenance. There would have been no "annihilation of property," for the whole labor power would have remained as before, only it would have changed owners.

Precisely so stands the effect of the decree of emancipation, made as an act of war, with this difference, however, that the laborers of both races were sadly reduced and demoralized by the incidents of the war which wrought the change. The same laboring force still exists, with the exception mentioned, and except, also, that the sudden and violent change in relations between capital and labor render further time and experience necessary to make it fully effective.

While it is indisputably true that free labor is always cheaper than slave labor, when each is under its most favorable conditions, the demonstration of that truth needs more favorable circumstances than were found in the years 1866, 1867. The prejudices of those who must use it were arrayed against it. Scarcity of food and of other necessities of life followed an exhausting war. The sufferings of the very poor of both races were alleviated by government rations and by private beneficence; but planters were compelled to supply all the wants of themselves and their laborers, while breadstuffs were at very high prices, and implements, farming animals, and their subsistence were equally scarce and dear. At first the freedmen were not disposed to work for hire—demanded excessive wages, and after excepting them, too often rendered poor service. The crops of both cotton and grain failed, more or less, in both those years throughout the South. In some cases there was

failure to fulfill contracts on the part of the employer, from disability or other causes, while the "shares of the crop" which had been accepted by the freedmen as wholly or in part of lieu of wages, often resulted in "nothing but loss" leaving the freedmen destitute and the planter in a condition not much better.

It was not until 1868, the third season of the free labor experiment, that it became generally successful in its operation and results. Then improvement appeared, and the harvest, abundantly supplying the people with cheap food, leaves a surplus stored up for the future. The profit arising from the sale of the exportable productions of the same season will amount to \$250,000,000; and a reasonable forecast of the future sees a promise of equal gain in some of the succeeding years, the increase of quantity compensating for any reduction of price.

The annual gain, be it \$50,000,000, or \$250,000,000, is no longer to be wasted in the purchase of labor, when as good, or better, will be obtained without purchase; yet the capital must be employed, and will seek investment. For some years very little will be needed in opening fresh lands, of which there is already too much open for the labor applicable to it. After meeting the demands of agriculture it will seek other profitable uses, as in banking, railroads, manufactures, machine-shops, and the other active employments which capital finds for itself. Prominent among the improvements, that of reconstructing the levees and reclaiming the most fertile of cotton and cane lands should be one of the first, and, rightly conducted, one of the most profitable for the employment of money.

#### OPPORTUNITY FOR COTTON SPINNING.

Proximity to cotton fields abundance of water power and of building materials in healthy localities, as well as of fuel, both wood and coal, and cheap labor, not suitable for the field, begging employment, all indicate the advantages and certainty of rapidly extending works for the manufacture of cotton in the cotton-growing States, especially for the spinning and export of coarse yarns.

#### WANT OF LABORERS.

Now that capital is returning into the cotton States, the great want there will be labor, a better use of what they have and more of it, to extend their profitable agricultural business, yet carry forward the other works which will be required. So far, the prevailing conditions in the South have not been attractive to immigrants. Poor crops, dear food, destitution of the common laborer, and these evils too often aggravated by disorder and violence, were reported during the years 1866 and 1867.

The prosperity of 1868 stands in marked contrast to the adversities

of the two years preceding. A similar prosperity repeated in succeeding years until it shall be regarded as the rule and not the exception, supported by assurance of peace and safety, will turn the tide of emigration freely from the northern States and from Europe to the cotton-growing States. During the present year the Pacific railroad has been completed and opened, a highway by which the Chinese and other coolies or Asiatic laborers may reach the cotton fields of the United States. They are industrious, frugal, quiet, and numerous.

The people of the South, who are to be the immediate beneficiaries of rapidly increasing wealth, will become large consumers of the production of other States and other countries, and in that capacity will contribute scarcely less than as producers to the general welfare, the extension of trade and the payment of the national debt.

#### LARGE PLANTATIONS MUST GIVE PLACE TO SMALL COTTON FARMS.

It seems to be conceded in the South that the large plantation system must generally be abandoned, in the culture of cotton, for small holdings of land more thoroughly worked under the direction of the proprietors. This will favor a more general industry, more numerous proprietary interests requiring personal care, better economies, and a constantly improving agriculture, which will preserve the fresh lands in good fertility and restore those which have been over-cropped.

In cotton growing as in market gardening, or in any other tillage of the soil, it pays better to keep a small body of land (just enough for a full and fair use of the labor that can be applied to it) under high culture by thorough working and the use of fertilizers, than to half cultivate a larger area with the same or any inadequate force.

Since the war, experiments made to ascertain how much cotton can be produced upon a single acre, have exhibited remarkable and gratifying results. When made with "spade culture" stirring the soil deeply and often, after enriching it with guano and phosphates, the product has been very large. In one case, reported upon what seems to be good authority, the product of one acre was *four bales*, or over 1,600 pounds of clean cotton. In past times one bale to the acre has been regarded as a fair crop, and two bales a very large one on the very richest lands, while half a bale, or about 250 pounds, was for many years a satisfactory result in Georgia and the Carolinas, where the lands were badly worn. The story of 1,600 pounds seems almost incredible,\* yet it is no more in excess of ordinary products than were some remarkable root crops,—*ruta-bagas* and *mangle wurtzels*—that have been obtained by the same process of

\* "Mr. D—— has eyes to observe, and reports exactly what he sees. He tells me that he knows several instances where double the usual crops have been made on small patches, and one case where a man raised four bales of cotton on one acre of ground, the whole acre cultivated by hand, no mule needed, nor ass either."—*Extract from Letter.*

spade culture. Improvement by better farming, to get more cotton from less land, is practicable, and should be sought as the method of true economy, saving in labor, in manure, and all other outlay, yet increasing the income.

#### RESTORATION OF WORN SOILS—MINERAL AND ORGANIC MANURES.

The value of the calcareous and phosphatic marls, found in various parts of the country, for fertilizing and renovating impoverished soils, has long been known. They were freely used in the older portion of the cotton-growing States with beneficial effects. During the few years prior to 1861 some importations were made at the South of various commercial fertilizers, guanos, ground bones, and certain nitrates, phosphates, and super phosphates, some very good and some having very little value. The importation and use of these artificial manures had been greatly extended just before the war. The really valuable among them such as the true guanos and superphosphates, had a marked effect in the increase and better quality of the cotton produced, and this was as apparent on the light and much worn lands of the Carolinas and Georgia as upon the heavier and fresher lands further west.

#### THE SOUTH CAROLINA PHOSPHATES.

Since the war, a discovery of exceeding value to the agriculture of the whole country, and especially to the cotton culture, has been made in the "native bone phosphate," vast beds of which have been found lying all along the coast of South Carolina and on the Sea Islands; but cropping out and most easily accessible along the banks of the Ashley and Cooper rivers. Richer in these phosphates than any other natural deposits yet discovered, these beds lie just beneath the supersoil, at the very doorway into the cotton-growing country. A description of them and of the circumstances leading to their discovery will be found in the Appendix C, in a letter from Dr. N. A. Pratt, whose researches, aided by others, have opened up a treasure whose value cannot now be measured.

This store of phosphates, thus prepared in nature's laboratory and laid up until the day of special need, contains just the chemical properties wanted for the cotton plant, and which the cotton seed had been abstracting from the soil. So long as cotton seed was returned to the soil upon which it was grown the deterioration of the land was slow, for the fibre of cotton took but little from it.\* But cotton seed had acquired a commercial

\*S. L. Goodale, Esq., Secretary of the Board of Agriculture in Maine, a writer upon agricultural chemistry, writes thus: "I can conceive of no reason why cotton culture should not be less exhaustive than that of any other agricultural crop with which I am acquainted. Look at it; the product desired is merely cellulose or woody fibre. In this form it possesses a market value of, we will say, \$100 per acre, but to return to the soil it is of no more manorial value than so much sawdust or wood in any other form, consequently it may be exported with impunity. Besides there is a side product of seed which draws heavily upon the soil; but this may be utilized and all of value to the soil be returned to it. The seed may be decorticated, and the oil expressed and sold with no loss of ash constituents from the soil. The cake remaining possesses both feeding and manorial value in a high degree. Ground to meal and fed in connection with corn fodder and annual grasses, (if no more permanent

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value for the oil to be expressed from it, and for the rich food for cattle and sheep, which was found in the "cake" from which the oil had been expressed. It could no longer be carted back upon the land as a manure. The land, already worn by many years of improvident cropping, having this further loss, rapidly failed. Some portion of the needed restoring and fertilizing remedies could have been found in the artificial super-phosphates and guanos of commerce, but these had become almost inaccessible. Often badly adulterated, and year by year advancing in price as the demand outran the supply of the good articles, while many of the planting people had become unable to buy them, except in very insufficient quantities, there was a great and urgent need of something to replace the cotton seed, and restore to the soil those chief ingredients indispensable to the production of a good cotton crop—phosphoric acid, or soluble phosphates. In this emergency came the discovery of those natural deposits.

Already too much space has been given to the effort to report faithfully the condition of the cotton culture of the United States, at the close of the year 1868; especially to exhibit the wonderful change from its condition one year previous, and from all the circumstances to draw a fair statement of the promise of the future for this great interest.

#### OTHER IMPROVEMENTS—SELECTIONS OF SEED, ETC.

It might be useful, did space permit, to notice in detail other movements in progress for the improvement of cotton culture, prominent among which would stand the valuable experiments in "improvement by selection of seed" from year to year, always guided by rules which define the object sought—in cotton, spinning qualities, such as length, strength, fineness, and the cohering together of the fibres; rapid growth and early maturity of the plant, and a habit of yielding well. Intelligent men are engaged in these efforts in various parts of the South, and of their results attained there are good reports from Georgia, Mississippi, and Arkansas. One new kind of cotton, the "Peeler," originating in Mississippi, is already in market, and bears a price 25 or 30 per cent higher than any other green seed, cotton of the same grade, because of its superior staple.

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grasses can be grown with improved management, it can be converted into meat and manure, and thus fertility be mainly aided or even increased.

"Phosphatic and alkaline constituents exist in decorticated and cotton seed in large proportion. Its ash is abundant, being not less than 7½ or 8 parts in 100, and of this ash 29 per cent is phosphoric acid, chiefly in combination with potash, a little with magnesia, and a very little with lime. Thus a ton of cotton seed cake—that is, of seed with the hulls taken off and the oil pressed out contains about 60 pounds of phosphoric acid, which in a soluble form, as phosphate of potash, and with its combined alkali, cannot be deemed worth less than 10 cents per pound—I think it should be rated higher, but say ..... \$6 00

"The same cake contains 6½ per cent of nitrogen, say 130 pounds to the ton, and this, rating it at what is paid for it in Peruvian guano, say 17 cents per pound, amounts to ..... 22 10

"So we have as the manurial value of one ton of decorticated cotton seed cake, at least ..... \$28 10

"It is well to bear in mind that the larger part of this (when the cake is fed to stock) would pass away in the liquid excreta, and unless the urine was absorbed or somehow saved, nothing like this value would be realized. In the light of these facts it is easy to see how wide a difference may be occasioned by the loss of the seed on the one hand and its use on the other."

## MANUFACTURING AT THE SOUTH.

At the South Carolina State Agricultural Convention, held at Columbia, April 28th and 29th, 1869, Col. J. B. Palmer was requested to give some information to the Convention relative to manufacturing at the South. In response, Col. Palmer read the following very interesting paper, which he had prepared on the subject.

The advantages possessed by the South over the North in manufacturing cotton, may be stated briefly, to be:

1. An abundance of unoccupied water power in every Southern State.
2. A mild climate. Fire, for heating purposes, is only necessary for from one to three months in the year. Resinous heart-pine wood can be procured at very low rates. We pay for such wood delivered within one mile of our factory, only \$1 per cord, and our total expense for fuel for, say two and one-half months in the year, is but one-tenth of one cent per pound, when charged to the manufactures of those months, while in the North it is about one cent per pound on the manufactures of at least five months in the year.

3. Wages are, and must continue to be, comparatively low. The mildness of the climate, the abundance of lumber, and the cheapness of land, enables manufacturers to provide their operatives with inexpensive but comfortable houses and large garden plats. The country being an agricultural one, we must soon be able to produce our provisions, while the manufacturing districts of the North must always depend upon the distant West, and, to some extent, upon the South for theirs.

4. Operatives. Northern men, acting as superintendents of Southern mills, admit the superiority of our factory hands, who are remarkably frugal and industrious, and who are easily controlled.

5. Freights are lower on yarns and cloths than on lint cotton. There has been a time, within the last three years, when a bale of cotton of 450 pounds, worth, say \$90, paid a freight, from Charleston to New York or Philadelphia, of \$2 50 per bale, which would be 2.77 per cent on value; while that cotton, made into a bale of 400 pounds of No 20 yarn, worth, say, \$136, paid only 60 cents per bale, or 44-100 per cent on value—a difference in favor of yarns of 2 $\frac{1}{2}$  per cent. The Southern manufacturer saves the freight on bagging, rope and other waste. This waste can be manufactured into paper at the South more cheaply than at the North, and is, consequently, more valuable here than there. Reclamation on false packed or damaged cotton is easy and direct, and we save the burdensome Northern charges for storage, brokerage, etc.

I support these positions by the following statement of actual cost of manufacturing at Saluda Cotton Mills, as shown by our books. It must be recollect that we have employed in the manufacture of No 20

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yarn only 4,000 spindles (Jenks ring travelers.) Of course, a greater number of spindles, or the production of yarns of a lower number, would ensure a less cost per pound;

Labor—Superintendent .87 ; carding .58 ; spinning .76 ; reeling .75 . . . . .	2 44 cts.
Repair—Labor and material (machinery nearly new) . . . . .	.22 "
Packing, bundling, &c., labor and materials . . . . .	.55 "
General Expenses—Watch .13 ; hauling .82 ; findings .25 ; oil .15 ; salaries .64 ; miscellaneous .56 . . . . .	2.00 "

Total per pound . . . . .	5.24 "
Add—Loss by waste (450 lbs. cotton costing \$90 making but 400 lbs. of yarn) . . . . .	2 50 "
10 per cent for wear and tear of machinery, charged to production, per pound . . . . .	1.26 "

Total cost of manufacturing cotton, worth 20c. per pound . . . . .	9.00 "
Freights to New York or Philadelphia .65 ; insurance .16 . . . . .	.80 "
Cost cotton per pound . . . . .	20.00 "

Total cost per pound of Southern yarn (No. 20) delivered in New York..	29.80 "
The very lowest estimate I have seen of the cost of manufacturing at the North places cost of labor, repair, packing, and general expenses at, per pound . . . . .	10 24 "
Loss by waste (cotton at 20c in Columbia would be 22 $\frac{1}{2}$ c. in New York ; 450 lbs. cotton would cost \$101.25, and would make 400 lbs. yarn) . . . . .	2 81 "
10 per cent. for wear and tear machinery . . . . .	1 26 "
Total cost of manufacturing in the North . . . . .	14 81 "
Add cost of cotton . . . . .	22 50 "

Cost of No 20 yarns manufactured at the North . . . . .	86 81 "
Showing a difference in favor of the South of, per pound . . . . .	7.01 "
Both using the same quantity of cotton . . . . .	
Deduct commissions, cartage, &c . . . . .	3 01 "
And we have a net profit to the Southern manufacturer, provided he sells at the cost of Northern productions . . . . .	5.00 "

A manufacturer of cotton yarns from Manchester, England, after looking at our books, told me that we manufactured cheaper than they did, by about the difference in value of currency and gold. That is to say, that the

Cost of labor, repairs, packing and general expenses was with them, gold . . . . .	5.24 cts.
Add for difference in value of gold and currency . . . . .	1.75 "
And we have in currency . . . . .	6.99 "
Estimating cotton in Liverpool at 24c. and the waste (450 lbs. cotton, worth \$108, making 400 lbs. yarn, would be . . . . .	3 00 "

Wear and tear of machinery . . . . .	9.99 "
	1.26 "

Add cost of cotton . . . . .	11.25 "
	24 00 "

And we have, as cost of No 20 yarn manufactured in England . . . . .	35.25 "
Costs of Southern yarns, as heretofore shown . . . . .	29.00 cts.
Freight and insurance . . . . .	1.50 "

Cost of Southern yarns delivered in England . . . . .	80.50 "
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Difference in favor of Southern yarns . . . . .	4 75 " 1
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But no estimate is made of the brokerage, &c., in Liverpool, or of the freights and charges on the cotton from Liverpool to Manchester. Southern yarns could be shipped to the continent of Europe at about the same rates as to Liverpool, while English yarns would have to pay freight from Manchester to the continent. These additional charges on the cost of English yarns being considered, I think it would be quite fair to infer from the foregoing that we could send our yarns to Europe, and, selling them at the cost of producing English yarns, derive a net profit of at least five cents per pound.

In support of the figures I have given, and the conclusions I have drawn from them, I mention the fact that at no time within the last three years would we have been unable to command from our Northern commission houses (had we chosen to ask for them) advances beyond the total cost of our yarns. Can any Northern or English manufacturer say this?

Estimating the average crop of cotton at 2,500,000, bales of 450 pounds each, and the price here at 20 cents, and we have as the amount received by the South, \$225,000,000. Manufacture this cotton into yarns, and sell at cost of Northern or English production, and we have, after deducting all foreign charges (net price per pound 34 cents), \$340,000,000; and for waste, which would be worth for paper stock, if manufactured at the South, \$2 per bale, \$5,000,000—\$345,000,000; showing a gain to the South of \$120,000,000; and if we estimate for a receipt of say 3 cents per pound over cost of foreign manufacture (and our experience would more than justify it), we have a further gain of \$30,000,000. In all \$150,000,000.

The average production of yarns last year throughout the United States was, per spindle, 62.17 pounds; the average number of yarn manufactured, 27 $\frac{1}{2}$ ; the total number of spindles was about 6,048,249; of these the Northern States had 5,848,477, and the Southern States only 199,772. The average number of yarn manufactured at the North was 27 $\frac{1}{2}$ ; production per spindle, 59.57. The average number of yarn manufactured at the South was 12 $\frac{1}{2}$ ; production per spindle, 140.87.

These figures are based upon the reports made to the National Association of Cotton Manufacturers and Planters. It is probable that many of the smaller mills in the South were not reported. My calculation is based upon an average production per spindle (ring traveler) of 87 pounds, and average number 20. To spin 2,500,000, bales would require 11,494,253 spindles. The calculation will vary, according to kind of spinning done and machines used. 11,494,253 spindles would give employment to 250,000 hands—principally females, from ten years of age up, and small boys. The average wages of operatives (big and

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little) in our mill is \$142.82 each per annum, which would give as the gross amount paid for wages per annum, nearly \$36,000,000. And that, too, paid for labor that would nearly all of it not only be otherwise unemployed in adding to the wealth of the country, but be a positive burthen upon the country.

Where weaving is done, the number of operatives and amount of wages paid will of course be much more.

It must not be supposed that, because these figures show that it would require about twice the number of spindles now run in the North to spin up our entire cotton crop at home, that the amount of capital required would be double that invested in cotton manufactures in the North, and therefore beyond our reach; for but a comparatively small amount of Northern capital is invested in spinning. The most of it is in weaving, dyeing, printing, bleaching, &c. Spinning is comparatively simple, and complications commence where saving begins.

It must be evident to every business man, that all our cotton will, sooner or later, be manufactured here, at the place of its production. If done now, by association of planters and other Southern people, additional wealth is secured to ourselves and to our children: if deferred, Northern capital and energy will inevitably occupy the field.

It seems to me entirely practicable for the planters of the cotton-growing districts, all over the South to combine together, in joint stock associations, and erect cotton mills of sufficient capacity to spin up their crops. No doubt, if this suggestion were acted upon at once, and all our cotton made into yarn, and thrown upon the Northern market, the supply would exceed the demand, and loss, at first, would ensue. My proposition is to ship direct to the continent of Europe, as well as to the North. It would take us but little time to drive other yarns from the market. The process of approaching the spinning of our entire crop would be gradual, and would keep pace with the gradual withdrawal of our competitors.

The arguments in favor of spinning will apply with equal force in favor of weaving. I have, however, confined my suggestions and calculations to spinning, because it is more simple, and requires less capital; and is, therefore, more likely to be generally adopted at an early day.

To show the practicability of this plan, I submit an estimate for a cotton mill with 4,080 spindles, ring traveling frames;

Number of square feet of flooring, 10,200; amount of No 20 yarns manufactured for spindle, 87 pounds. Total amount of No 20 yarns manufactured in mill, 354,960 pounds. Cost of first class machinery, with all the latest improvements, viz.: One large cylinder cotton opener, English; one 3 cylinder opener, 1 beater, English; 1 double lap machine; 10 self-stripping 36 inch cards, with 2 R. W. heads, troughs and belts;

2 drawing frames and cans; 1 English slubber, 60 spindles; 2 English jack roving frames, 120 spindles each; 20 ring traveler spinning frames 204 spindles each; 14 reels, traverse grinder, slide rest, card clothing, governor, turbine wheel, cotton scales, bundle and bale presses, shafting, belting, bobbins, transportation, putting up machinery, findings to commence with, &c., &c., \$43,000; building, including houses for operatives (estimated by an experienced contractor,) \$7,000; total, \$50,000. Such a mill will give employment to 87 operatives, and will consume 887 bales cotton, weighing 450 pounds each. Estimated net profits on productions, if sold at cost of Northern production, \$17,748. No estimate is made of the cost of water power, as that would depend upon location, size and nature of stream.

Finally, with great diffidence, but with equal earnestness, I urge upon the Convention, and upon the Southern people generally, careful consideration of the facts and figures submitted; and close with the suggestion, that houses of correction for juvenile delinquents, who abound in our midst, and pennitentiaries for females be established, and that their inmates, as well as those of orphan asylums, be employed in cotton manufacturing. I may state that, by the wise forethought of the projectors of our State Penitentiary, this was, though to a limited extent, provided for, and I believe I am correct in saying that the convicts now manufacture nearly, if not all their clothing and bedding.

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#### THE RECENT BREADSTUFFS MOVEMENT.

Our readers will remember that, last fall, we expressed the opinion that a very heavy surplus of grain remained in the hands of Western farmers which they would have to realise upon, before next harvest, at lower prices than were then current. Upon this view, we urged the expediency of forwarding grain before the close of navigation, as best for the farmer and the country at large. The event has turned out as we anticipated, and proved the wisdom of our advice.

The abundant harvest of last year is succeeded by the prospect of another year of abundance, not only in the United States, but in many other grain-growing countries; and the farmers, under the prospect of this new supply, and fearing that the value of their grain may further depreciate, are pressing it forward to market. The amount of this surplus may be judged from the volume of the receipts at the Western grain centres. The following figures show the arrivals of flour, wheat, corn and oats, at the ports of Chicago, Milwaukee, Cleveland, Toledo, and

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Detroit, from May 1 to June 12, for this and the two next preceding years:

	1866.	1868.	1867.
Flour, bbls.....	612,826	415,084	277,768
Wheat, bush.....	6,043,001	3,241,459	1,468,755
Corn, bush.....	4,167,979	2,978,918	5,021,341
Oats, bush.....	2,080,586	1,904,830	1,646,551
Total, bush.....	19,301,166	9,020,177	8,137,647

We thus find that the receipts of flour, at the Lake ports, for the week ending June 12, have been 227,762 bbls in excess of the same period of last year, and 365,038 bbls more than in 1867. The aggregate receipts of wheat, corn and oats, for the same weeks, were 3,280,989 bushels over those of 1868, and 4,163,519 more than in 1867. Since the prospects of the new crop became more apparent, the receipts have been especially heavy, those for the first two weeks of June being very close upon the arrivals of September last, when the forwarding movement was at its height. The arrivals of wheat and flour, at the five principal lake ports, for the four weeks ending June 19th, reducing the flour to wheat, were equal to nearly eight millions bushels of wheat. The following is a statement of the receipts at those points for the weeks named:

	1868.	1869.
Flour, barrels.....	290,758	458,263
Wheat, bushels.....	1,693,937	5,864,910

The Buffalo *Commercial Advertiser* gives the following estimate of the quantity of wheat afloat and in store at the close of last week:

	Bushels.
In store at Chicago and Milwaukee 21st.....	1,300,000
Afloat on Lakes for Buffalo and Oswego 21st.....	1,024,000
Afloat on Canal, destined for tide-water.....	1,300,000
In store in New York 21st.....	523,886
Total.....	5,553,886

not including stocks at Buffalo and Oswego.

The amount afloat on lakes and canals is about 2,800,000 bushels, mainly destined for the Hudson.

The natural effect of this movement would have been to further depress the prices of breadstuffs had it not been for the less favorable accounts with regard to the wheat plant which have lately been received from England and France. These reports, together with the small stocks now held in those countries, their light imports and the low prices current have within the past two weeks resulted in considerable activity in breadstuffs, with an upward movement both here and at Liverpool. This is furnishing a very convenient and satisfactory outlet for our present surplus. The immediate effect of this enlarged movement at the West and towards the East is quite apparent in its influence upon our money market; though perhaps not observed to the extent it really deserves. The Western banks, especially those of Chicago, have withdrawn large

amounts of currency from the banks of this city, the amount received there from the East, during June, being, according to the Chicago *Tribune*, \$6,000,000; and this depletion, occurring concurrently with a demand for moving the wool crop, with large withdrawals into the Treasury, and upon an unusually low condition of the legal tender resources of the banks, has contributed, in no small degree, to the extreme stringency in money which has recently prevailed.

The railroads have received their share of benefit from this movement. As appeared from our last issue, the gross earnings of thirteen principal Western roads, for the month of May, were \$5,528,000, against \$4,973,000 for the same month of last year; showing an increase of \$555,000, or about 12 per cent; and, for the current month, the receipts exhibit a still larger gain. This evidence of an increasing supply of food products is a gratifying indication of our agricultural growth, the main basis of our national prosperity. It is calculated to infuse a healthier feeling into our industries and to promote a sounder condition of general values; while it also affords a hope that we may ere long be able to assume a position of greater importance among the grain-producing countries of the world.

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#### REDEMPTION OF BANK NOTES.

We have often had occasion to defend the National Banking system against the attacks of persons who exaggerated its defects, and overlooked the vast benefits which it has conferred, or is capable of conferring in the financial, industrial and commercial progress of the country. In pleading the cause of the banks, however, we should carefully remember that the system is by no means perfect, and that much remains to be done for its improvement. Of this, we have, during the past month, had a striking proof in the spasms which have invaded the money market, and in the exorbitant rates of interest which have been paid in Wall street. That these troubles are caused, in part, by movements over which the banks can exert little direct control, we freely admit. But still neither the manoeuvres of speculators, the locking up of greenbacks, the absorption of currency in the South, the over-rapid conversion of floating capital into fixed capital, nor the hoarding of money in the Government vaults, would have produced so profound and convulsive a stringency had the banks kept themselves strong, and had our currency been elastic and responsive to the wants of business. It is very evident that the monetary troubles of the past three months have been due to defects in our financial machinery rather than to any lack of capital. Which ever way we look proofs multiply on every side that our people are growing in wealth and in all the chief conditions of material prosperity. What is wanting, however, is

a corresponding elasticity in the financial machinery of the country. Speculators and cliques of capitalists dam up the fertilizing streams of the national wealth and prevent their flowing equally and freely and gently over the whole field of the national industry. We are suffering not because we cannot produce wealth but because our machinery for distributing that wealth is out of order, inelastic, and not sufficiently responsive to the changing pressure upon it and to the varied demands of different seasons of the year.

These facts all point to the currency of the banks as the weakest part of the National system. When the cliques would make trouble in the loan market they always attack the currency and their ingenious devices for locking up currency, and so depleting the current of the active circulation have been often exposed. Why have no such plans ever been set in operation in Paris or in London? The speculators there are as keen, as bold and as shrewd, and wield larger masses of capital. Why do they never resort to the expedient of locking up currency. The reason is obvious. The currency of France and of Great Britain is elastic, and enlarges or contracts with the seasons with the activity of business and with the greater or less demand for money. Our currency, on the contrary, remains rigidly fixed in amount all the year round. It consists first of some four hundred millions of greenbacks and fractional currency, the amount of which was not intended to fluctuate, and secondly of national bank notes, the outstanding amount of which ought to vary from two hundred millions as the minimum, to three hundred millions as the extreme amount authorized by law. The issue of currency is so profitable to the banks that they try to keep afloat all the law allows. If the notes of a bank come back to it they are immediately reissued, and as there is no effective arrangement for redeeming the bank notes, the whole three hundred millions are kept constantly afloat, winter and summer, spring and fall, whether the amount is in excess of the requirements of the country or not.

In no other banking system ever established in Europe or in this country, have private corporations been invested with so much power over the volume of the currency. To say that they should not abuse this power, is nothing to the purpose. The banks are 1,600 independent institutions, spread over the various States, and anxious each to make large profits for its shareholders. The issue of currency is one of the most lucrative parts of the banking business, as it enables the bank to borrow [money without interest. While human nature is as it is, every bank will put out and will keep out all the currency it can. And the only way to make sure that the volume of bank notes shall increase when they are needed for business and shall diminish when the want has passed away, is to make it

impossible for the banks to keep out their notes in excess. This is easily to be done. Banking experience has supplied an effective safeguard. It is the safeguard of metropolitan redemption. Let the banks be compelled to redeem their notes at the metropolis, where in time of plethora the notes are sure to accumulate, and we have the best remedy for inelasticity of the currency, which the nature of the case seems to admit.

An unreasonable opposition has been aroused among some of the banks, against any more effective means of redemption than one in use at present. We trust, however, this will pass away. The existing arrangements for redemption are notoriously imperfect and unsatisfactory. This circumstance offers a powerful weapon to the enemies of the banking system, which they are not slow to use. In Congress a large power is known to be arrayed against the banks. Surely it is the part of wisdom for these institutions to correct every abuse, and to strengthen and reform themselves as much as possible. The banks must show to the country that they are not a set of speculative institutions, intent on money-making and greedy of gain, but that they are depositories and trustees of important powers over the currency of the country, and that they do not receive the rich endowments of that trust without doing their best to fulfil its duties. One of the strongest arguments against the banks would be deprived of its force and one of the most threatening dangers which await them in Congress would be removed, if they would voluntarily combine together this summer and organize some effective scheme for central redemption. It is a matter for regret that the recent convention in this city did not give more attention to a reform which is infinitely more for the true interests of the banks than almost any other topic, which was prominently discussed.

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#### A PART OF THE GREAT NORTHWEST.

There is a portion of this country which promises in a few years to yield to none other, in population, wealth and production. It is a region, however, now comparatively unknown, of vast extent, of healthful climate and of large resources. It has for its streams the upper waters of the Mississippi, those of the Red River of the North, of the Assinneboine and of the Saskatchewan. It touches the shores of Lake Winnipeg; extends far westward along the borders of the United States and of the New Dominion to and beyond the Rocky Mountains. It has Lake Superior for its Eastern limit. The State of Minnesota, part of Wisconsin, part of Dacotah and a broad section of the New Dominion lie within this region. At first thought one would say that this section was far to the

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northward, but a glance at the map shows that while St. Paul is in the latitude of Venice, the Northern shore of Lake Superior is in the latitude of Paris, 200 miles further south than London and 700 miles further south than St. Petersburg. The summer isothermal line of 70 degrees, which passes through the wheat-growing regions of Russia and through Southern France, strikes this continent on Long Island, bends down into Pennsylvania, skirts the northern limits of Ohio and Indiana, passes from the foot of Lake Michigan to the Mississippi just north of St. Paul, and then sweeps up to latitude 52 three and a half degrees north of Paris. Some of our school misconceptions of geography are corrected by the practical knowledge we acquire in this day of enterprise and action. It is under and around this isothermal line that the richest wheat-growing regions of the United States lie, and it is near this line that the remarkable development of the last few years has been made. For instance, in 1857 Minnesota did not raise breadstuffs sufficient for her own consumption. Ten years after her export of wheat was 10,000,000 of bushels and her production was 14,000,000 bushels. In 1854 she had only 15,000 acres of land under cultivation. Ten years later it was over 1,000,000. In 1860 her population was 172,000. In 1865 it was 250,000. It is estimated now at 450,000. In 1860, Hon. Wm. H. Seward, standing in St. Paul, the centre of this great "continental wheat garden," speaking of the broad belt extending from Lake Superior to the Pacific, remarked, "Here is the place, the central place, where the agriculture of the richest regions of North America must pour out its tributes to the whole world."

The transportation facilities of this region are mostly as yet only "projected." There is first of all, however, the Mississippi river, which offers such cheap carriage to the sea. This route may, we think, be regarded as "finished." The agricultural wealth of Minnesota was one of the chief inducements for St. Louis to engage in the present system of grain carriage to New Orleans. Its effort was to secure a share of that traffic which by several lines of railroad passed across the States of Wisconsin and Illinois, and so sought an Eastern market, by way of the Lakes. But Minnesota has designs of its own, and hopes to do its own business. It has under way a railroad from St. Paul to Du Luth, the head of Lake Superior. This road will be 150 miles in length. A portion of it is done and the rest will be completed during the present year, placing Minnesota several hundred miles nearer tide water than it is now, for the western end of Lake Superior is 240 miles west of Chicago, and the distance of the centre of Minnesota production is much nearer Lake Superior than Lake Michigan. The navigation of the two lakes is practically limited to the same season, for one depends upon

the departure of the ice from the St. Marie, and the other upon the freedom of the Straits of Mackinaw. To New York the distance from the head of Lake Superior is just about the same as from the head of Lake Michigan. The Northern Pacific Railroad is another improvement, upon which work is beginning. But this is too indefinite yet to require further remark. Railroads, east and west lines, are started in the first, second, fourth and fifth tiers of counties in Minnesota, counting from the lower line of the State. St. Paul is a railroad centre, and from it diverge nine or ten roads, all of which are designed to feed the new road to Lake Superior. There is a road started to Pembina, of which 81 miles are completed. Another is from St. Paul to the head of Red River navigation, of which 60 miles are done and 100 more are contracted for by the first snow fall. Another runs towards Sioux City, and 90 miles are done. At Sioux City it will meet a branch of the Union Pacific road and contend for the traffic of that route. Another runs down the river to Hastings, and has Chicago for its objective; of this 20 miles are done. Another road towards Chicago has 50 miles completed. We omit mention of some minor routes and projections.

The question naturally arises how is the labor procured for all these enterprises? The regular emigrants to Minnesota and other Western States are farmers, agricultural laborers and artisans. They are not "navvies." So laborers for the railroads are sought abroad. They bring them over by the ship load, and set them to work on the railroads. They settle on the line, and so, when the road is done, it has a population to support it. The Minnesota State agent has been to Sweden for his emigrants, before whom he laid the wonders of climate, production, free homesteads, &c. He brought 900 over with him a few days since, and he promises that 75,000 Scandinavians will come over during the present year. So the State grows and develops. So civilization makes its powerful conquests of new regions. So the material prosperity of the whole country is increased and the national life derives fresh strength. The remote is brought near, the savage is tamed, and the kindly fruits of the earth are produced in greater and greater abundance. This little sketch of what one State is doing is but the repetition of what others have already done, and the prelude to even greater enterprises.

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#### THE WESTERN GRANARY AND ITS OUTLET.

It is within the memory of many men now living that the centre of the wheat production of the United States was east of Lake Erie. In the earlier part of this century the counties on the Hudson River and along the Mohawk were large producers of wheat. Then the Genesee

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Valley came into notice, and for many years was the granary of the East. The wheat and flour of this valley have not yet lost their celebrity, despite the competition of Ohio, St. Louis and California. For many years the insect destroyed the crop there, but its productiveness has been now partially restored, and at no time was there a complete failure. "Extra Genesee," though often merely a name, was still a brand in the market through all vicissitudes. The Erie Canal opened the way to the West and made the farther shores of the great lakes as accessible to market as Western New York had been. So the wheat-growing moved westward to Ohio, Michigan, Indiana and Illinois. Another impulse was needed. Railroads were built from the Lakes to the Mississippi, from the Mississippi to the Missouri and farther West, and again the "granary" receded to the Westward, until to-day it is found beyond the Mississippi; and Iowa, Minnesota and California are, in proportion to population and in the yield to the acre, the greatest wheat-growing States of the Union. In 1848 and in 1859 the wheat product of several States was as follows:

		1848.	1859.
Pennsylvania.....	bush.	15,867,691	13,042,165
Ohio.....		14,487,351	15,19,047
New York.....		13,121,498	8,681,105
Illinois.....		9,414,575	23,887,023
Indiana.....		6,214,458	16,848,267
Michigan.....		4,945,889	8,336,363

Such were the figures for 1848 and 1859. But in 1866 a further change took place. For instance, Wisconsin, which reports 4,000,000 bushels in 1848 and 15,600,000 in 1859, reports in 1866 20,307,920 bushels, at a valuation of \$33,914,226—a five-fold increase in crop in 18 years and a nine-fold increase in value. Other States named above present the following aggregates:

		1866.	Value.
Pennsylvan'a.....	bush.	10,519,660	\$28,047,493
Ohio.....		10,208,884	25,726,312
New York.....		12,526,406	33,525,004
Illinois.....		28,551,421	55,104,243
Indiana.....		9,114,562	21,466,024
Michigan.....		14,740,689	37,588,630

Pennsylvania, in the interval from 1859 to 1866, fell off; New York, recovering from the devastations of the weevil, gained; Ohio fell off largely, considering her increase in population; Indiana also produced less, while Illinois and Michigan increased. Iowa now enters the lists with a production of 8,000,000 bushels; California shows a production in 1866 of 14,000,000 bushels, having a currency value of some \$20,000,000; Minnesota, which in 1857 imported breadstuffs, had 10,000,000 bushels for export ten years later and kept 4,000,000 for home consumption. Twenty years ago the wheat product of New York and Pennsylvania was four or five bushels per head to the population; now it is but

two or three. Of course these States and their Eastern neighbors look to these great Western granaries for supplies; and their confidence will not be misplaced. Directly west of Iowa and Missouri, and within the limits of Kansas and Nebraska, the wheat region virtually ends; but it will expand into immense dimensions on the vast areas of the Northwest. There will be a granary never to be drawn down.

There is a lesson of importance to be derived from this statement we have given. These wheat areas of the East, and in this term we include all the regions east of the Mississippi, are by no means exhausted. They need but culture to reach the highest promise they ever gave. The wheat crop of New York fell from 13 millions in 1848 to 8 millions in 1859, and rose then to 12 millions in 1866. The prime cause of this was the renewal of wheat culture after years and years of disease. The farmers could not contend with the insect and they yielded. The insect disappeared, and again the fields returned productive crops. If land is higher in price in these Eastern States, the farmers are nearer a market and they can compete, to a certain extent, with the West. In Ohio, Michigan, Indiana and Illinois, there has been a falling off in the average yield per acre, showing a careless cultivation, for these wild lands are yet unexhausted.

An examination of the breadstuffs trade of Chicago for a series of years, also indicates the growth of the West and the tendency of the centre of cereal production in that direction. In 1854 the receipts of flour at Chicago were 234,575 bbls., in 1868 they were 2,276,335 (a tenfold increase) and Chicago which, in 1860, manufactured but 282,000 bbls. manufactured last year 747,932. In 1854 the receipts of wheat were 3 millions of bushels, and in 1868 they were 15 millions. Corn grew from 7 millions in 1854 to 25 millions in 1868. Chicago shipped last year 24,800,000 bushels of wheat and flour reduced to wheat. The five lake ports together sent out 53,000,000 bushels, and it is estimated that 18,000,000 of bushels went on the railroads.

The promise of an increased crop this present year is very good. Illinois has recently suffered so severely from the rains that the corn crop is considered to be in danger, all other sections of the country report good progress and warrant the belief that the avenues of transportation will be crowded with the products of Agriculture. For the great granary beyond the Mississippi, of which we have spoken, the competition of transporting interests is lively. St. Louis has an agent in New York to engage a steamship to proceed to that city and bring a crop of grain directly to this port; Iowa and Minnesota are pushing railroads into the interior; Chicago reduces her charge for handling and storing grain. Freights by rail on competing roads go down and

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the great battle between the rail and the water route assumes new and more interesting proportions. Some of the experiments induced by this rivalry between different routes are on an extensive scale. This steamship from New York to St. Louis and return, involves a long voyage. It is 3,000 miles of water against 1,000 by land. It is an ocean voyage, a gulf passage and a long and sinuous river with all its opposing currents and unknown obstructions. It passes by the Mississippi cities, whose hopes have been of "Direct Trade" with Europe, and it has for its St. Louis guarantors the enterprise, and capital and pluck of a strong and vigorous city. As one attempt to solve this problem of transportation it is interesting to all observers. The world at large which takes many million bushels of wheat, corn and flour from the United States, and the army of consumers in the non-producing States no less than producers are all directly interested, for to them it is a question of cheaper food.

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#### TOLEDO, WABASH AND WESTERN RAILWAY.

Among western railways this line occupies a route which for directness between the Pacific and Atlantic coasts is not surpassed. This assertion applies to its present physical relations. When the Pike County Railroad, extending from Naples to Douglasville (opposite Hannibal, Mo.), now in process of construction, shall have been completed, the east and west line will have been materially improved both as to distance and general directness, insuring additional economical means of transacting the ever increasing business which the progress of events has brought within the company's grasp. The section of the line to be thrown out of use by this improvement as a through route (say between Van Gundy's and Palmyra) will be utilized as a local carrier for a rich and prosperous stretch of country. A further improvement of the direct westward line will be made by cutting off the triangle which, with Palmyra as its apex, has Hannibal as its latitudinal basis. In former times the constituents from which the whole route was formed were notoriously unproductive and expensive, but the vast development of the country through which the aggregate line passes, and the improved connections east and west already established or projected, together with the Union Pacific road now completed, have given to this line an increased importance which a very short period will more clearly develop. These facts, results and anticipations are in marked contrast with the troubles and disabilities through which the several roads comprising the company's present lines have been forced to pass. Even the titles of the bond issues, now part of the company's funded debt, speak of frequent disasters and

reorganization after reorganization in each of the principal roads, until common sense and experience brought the whole line occupied by the existing corporation under a single efficient and co-operative organization.

We have not space to recount the early history of the line. The Sangamon and Morgan Company began their experience the earliest—say some third of a century ago, and were succeeded by the Great Western Company, which built on the east and the west of the original route, so as to complete a line from the Indiana border to Meredosia, with a branch to Naples—both on the Illinois River. This company failing, was succeeded by the Great Western Company of 1859. The roads in Indiana and Ohio were built by separate companies, which under several titles, (now consolidated, again separate, and then again united,) had a very precarious existence. Then came the consolidation of July 1, 1865, which included two other lines and gave the original roads connection with Quincy and Warsaw, both on the Mississippi, and with the great lines of Missouri and Iowa. At the time of consolidation the lines were as follows :

	Miles.
Toledo and Wabash Railroad (Toledo, O., to the Indiana Line).....	242.4
Great Western Railroad of 1839 (Indiana Line to Meredosia, &c.) .....	182.4
Quincy and Toledo Railroad (Meredosia to Camp Point).....	34.0
Illinois and Southern Iowa Railroad (Clayton to Warsaw).....	41.2
<hr/>	
Total consolidated line.....	500.0

About 22 miles of the Chicago, Burlington and Quincy Railroad (leased) complete the company's operative lines, making the whole length of line operated 522 miles. Of this length of road 75.5 miles are in Ohio and 166.9 in Indiana, the remainder of the total length being in Illinois. The road is now ironed with rail averaging 60 pounds to the yard. The gauge of the track is 4 feet 8½ inches. The report does not state the length of second track, sidings, &c.

The amount of motive power and rolling stock operating on the roads of the company at the close of each of the three years 1866, 1867 and 1868, inclusive, was as follows :

	1866.	1867.	1868.
Locomotive engines.....	102	105	105
Passenger and smoking cars.....	47	49	52
Mail and baggage cars.....	27	24	29
Box freight cars.....	1,040	1,173	1,077
Livestock cars.....	275	405	404
Platform cars.....	200	243	243
Coal cars.....	150	154	148
Caboose cars.....	....	45	44
Dumping cars.....	....	30	30

Of the engines 47 are coal and 58 wood consumers. There are 104 stations on the roads and 11 engine houses. Upwards of 100 new cars were built in the company's shops in 1868, and nearly 400 cars were entirely rebuilt or received general repairs.

[August,

The results of operations in the same years and since the consolidation are shown in the following table:

	1865 (6 mos.)	1866.	1867.	1868.
Passenger earnings.....	\$896,962 08	\$1,322,846 78	\$1,913,525 42	\$1,224,051 51
Passengers carried.....	368,525	624,378	584,355	
Freight earnings.....	\$1,020,258 38	\$2,009,427 35	\$3,261,225 40	\$2,542,742 91
Mail earnings.....	26,000 00	52,000 00	52,000 00	70,412 49
Express earnings.....	49,042 10	98,345 17	148,255 52	89,163 97
Miscellaneous earnings.....	40,846 59	84,766 93	81,217 23	86,207 10
 Gross earnings.....	 \$2,033,109 15	 \$2,717,286 23	 \$3,809,353 58	 \$4,013,907 93

From which deduct expenditures :

Renewal of iron and superstructures.....	\$100,017 80	\$341,051 79	\$364,912 93	\$287,064 04
Maintenance of way and structures.....	888,024 66	624,026 25	635,491 20	624,579 41
Maintenance of cars, engines, &c.....	1,276,837 13	1,56,605 78	449,469 34	489,329 66
Transportation expenses.....	763,558 93	1,289,463 63	1,430,008 65	1,488,586 68
 Total operat'g expenses.....	 \$1,457,428 26	 \$2,811,186 50	 \$2,786,839 32	 \$2,889,519 79

Nett income.....	\$545,670 89	\$906,199 73	\$1,022,471 26	\$1,123,583 19
Nett earnings, per cent.....	26.84	24.89	26.97	28.00

In the following statement are shown the general financial transactions of the company as exhibited on the income account since the consolidation of July 1, 1865 :

	1865-66.	1867.	1868.
Nett earnings .....	\$1,451,870 61	\$1,022,471 26	\$1,123,583 19
Supplies from old companies.....	102,548 64	.....	.....
Machinery and tools sold.....	.....	1,840 00	.....
Parking fund bonds sold.....	1,000,000 00	.....	.....
Consolidated mortgage bonds sold.....	.....	1,410,000 00	615,910 00
Illi. and South. Iowa R. Railroad.....	.....	92,100 00	.....
Ba lance from year to year.....	.....	273,599 00	491,513 82
 Total .....	 \$2,554,419 25	 \$2,730,010 26	 \$2,230,101 01

Against which amounts are charged as follows :

Construction, &c.....	\$603,974 00	\$143,536 53	\$303,481 71
Interest account.....	1,328,180 37	1,189,161 83	1,226,622 53
Discount and exchange.....	21,181 28	12,810 82	.....
'Toledo and Wabash R.R. Company.....	17,106 63	1,454 98	.....
Illi. and South. Iowa R. Railroad.....	129,807 97	.....	.....
New York office.....	.....	10,543 28	.....
Sick'g fund bonds taken up.....	.....	731,000 00	269,000 00
Ba lance from year to year.....	273,599 00	491,513 82	430,996 77

The financial status of the company at the close of 1866, '67 and '68, respectively, is shown in the Treasurer's general balance sheet, as follows :

	1866.	1867.	1868.
Balance of income account.....	\$273,599 00	\$191,512 82	\$420,996 77
General stock, 57,000 shares.....	5,700,000 00	5,700,000 00	5,700,000 00
Preferred stock, 10,000 shares.....	1,000,000 00	1,000,000 00	1,000,000 00
Funded debt.....	14,345,000 00	15,494,000 00	16,000,000 00
Coupons due and unpaid.....	42,234 75	53,250 00	137,512 50
Overdraft.....	71,790 53	.....	.....
Equalization account.....	665,726 19	.....	.....
Bills payable .....	15,500 00	15,420 00	1,208 00

Total.....	\$22,118,900 47	\$22,754,182 82	\$23,259,817 27
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Per contra : the following charges, viz. :

Road and equipment .....	\$19,850,000 00	\$20,999,000 00	\$21,551,000 00
Trustees.....	1,195,000 00	1,195,000 00	1,195,000 00
Materials and fuel.....	303,014 07	268,757 88	237,262 66
Sundry accounts.....	45,550 43	105,678 88	133,803 10
Equalization account.....	700,300 27	34,574 08	34,574 08
Cash.....	.....	157,171 98	1,8,077 43

Total.....	\$22,118,900 47	\$22,754,182 82	\$23,259,817 27
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The funded debt of the company, as it stood on the books at the close of the fiscal year 1868, is described in the following statement:

	Classes of bonds	Interest	Principal
		Rate Payable.	Amount Due.
1st mort., Tol. & Ill. RR (75.5 m.) .....	7 F. & A.	\$900,000	1890
" L. Erie, Wa. & St. L. RR (166.9 m.) .....	7 F. & A.	2,500,000	1890
" Gt. West'n RR, east of Decatur .....	10 F. & O.	1,000,000	1878
" Gt. West'n RR, west of Decatur .....	7 F. & A.	45,000	1878
" Gt. West'n RR of 1858 (182.4 m.) .....	7 F. & A.	1,455,000	1888
" Quincy & Tol. RR (34 m.) .....	7 M. & N.	500,000	1860
" Ill. & So. Iowa RR (41.2 m.) .....	7 F. & A.	800,000	1882
2d mort., Tol. & Wab. RR (75½ m.) .....	7 M. & N.	1,000,000	1878
" Wabash & Western RR (166.9 m.) .....	7 M. & N.	1,500,000	1872
Equipment, Toledo & Wabash RR .....	7 M. & N.	2,500,000	1893
Sig Fund, Tol. W. & West'n RR (500 m.) .....	7 A. & O. (called 1 <sup>o</sup> )	600,000	1883
Consols, Tol., W. & West'n RR (500 m.) .....	7 Quart'y	2,700,000	1907

All of these issues are payable principal and interest in New York at the dates above named. The interest on the new consolidated bonds is payable February, May, August and November.

Four years have nearly passed since the consolidation, during which the monthly range of the prices of the company's stocks at the New York Stock Exchange has been as follows :

#### RANGE OF THE GENERAL STOCK.

	1865-66.	1866-67.	1867-68.	1868-69.
July.....	...@....	36½@40	46½@53½	48½@54½
August.....	...@....	39 @47½	48½@51	49 @53½
September.....	40 @40	43½@46½	39 @49	53½@64
October.....	43 @43	41 @54½	39 @44½	58½@67
November.....	39 @35	40 @55½	38 @39½	54 @62
December.....	40½@43	41 @45½	28½@43	58½@59
January.....	43 @42	39 @45½	42½@47	59½@67
February.....	31 @40	38 @42	45 @47½	63½@68
March.....	31½@33	34 @39	46½@55½	65½@68
April.....	33 @39	35 @39½	46 @52	61½@73½
May.....	34 @39	38 @43	49 @53	73 @78½
June.....	36 @35	41½@47½	46 @51½	71 @76½
Year.....	31 @35	34 @35½	38½@55½	48½@78½

#### RANGE OF THE PREFERRED STOCK.

	1865-66.	1866-67.	1867-68.	1868-69.
July .....	...@....	61 @61	60½@72½	69 @73½
August .....	...@....	67½@70	70½@71	73 @73
September .....	60 @64	70 @73½	69 @69	73½@73
October .....	64 @65	72½@75½	62½@68	73½@78
November .....	68 @68	73 @75½	62 @62½	70 @73½
December .....	...@....	...@....	61½@61½	70 @670½
January .....	...@....	...@....	61 @67	73 @75
February.....	...@....	66 @46	68 @74½	77 @77½
March.....	...@....	59 @45	70 @74	78 @79
April.....	63 @63	61½@65	70½@72	77½@80
May.....	...@....	62 @67	69 @69	79 @62½
June.....	...@....	63½@70	69 @69	83 @82
Year.....	60 @68	59 @75½	61½@74	74 @82½

We have made this analysis more extensive than ordinary, for the reason that "Poor's Manual" does not include the report for 1868, although we find that it was waited for as long as possible. A partial return obtained from the company is all that is given in the work referred to.

**ON THE AGRICULTURAL STATISTICS OF THE UNITED KINGDOM (SECOND PAPER.\*)**

BY JAMES CAIRD, ESQ.

(Read before the Statistical Society of London).

Having been invited by the Council to continue the subject of the Agricultural Statistics of the United Kingdom, on which I read a paper in March last year, I propose first to consider the result of the estimates then offered of the previous crop, the probable yield of the last crop (1868), and the great public advantage which followed the early announcement contained in the summary of the returns.

**L.—Estimate and Result of Crop, 1867.**

It will be remembered that I then offered an estimate of the result of the bad wheat crop of 1867, in which, after making deductions for the diminished consumption likely to be caused by high prices, I computed the foreign supply required within the harvest year at 9,600,000 quarters. The actual receipts have been 9,690,006 quarters, between August, 1867, and August, 1868, the date at which the new crop was ready.

But the harvest was a very early one, and the condition of the corn so good that it was available for immediate use. The harvest year, as generally and properly understood, and within which it is very desirable that the statistical tables should be framed, is from 1st September to 1st September. Between these dates last year the total imports of wheat and flour were 9,293,000 quarters.

On either basis it will appear that my estimate was not very wide of the mark, though it was severely handled at the time, and figures were put forth to show that considerably less than two million quarters was all we could possibly receive between that time and harvest. The price, which had begun to droop, was thus again strengthened and maintained during April, May and part of June, when the final fall began and steadily continued till the beginning of September, by which time the drop from the highest point had reached 20s. a quarter. But in the meantime the pressure on the poor, as was partly shown by the statistics of out-door relief, was unnecessarily prolonged, while it was found that the foreign supply, which had been represented to have been exhausted by the enormous imports of the first six months of the harvest year, continued with very little diminution to its close. Instead of the 1,000,000 or 2,000,000 quarters, which was the utmost we were led to expect from all sources, we actually received 4,500,000 quarters in the second half of the harvest year.

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\* The first paper was published in the June number of the MAGAZINE (vol. 60, page 431).

The economy in the use of bread caused by the high price of last year has proved very close to the estimate I ventured to put forth. It will perhaps be remembered that I assumed every 10 per cent of additional price on the crop would diminish the consumption by 1 per cent; and as bread had risen 50 per cent, I reckoned the saving at 5 per cent, or a little over 1,000,000 quarters on the total consumption. The actual saving is shown by the following figures:

	Quarters.
Average annual consumption since 1862, inclusive of seed.....	20,500,000
Seed, 2½ bushels per acre..... qrs. 1,100,000	
Foreign wheat imported..... 9,300,000	
Home crop, 9,700,000 quarters of 59 lb. quality, equal to 61 lb quality .....	9,380,000
	<u>19,780,000</u>
Saving by economy in the use of bread.....	<u>1,020,000</u>

This bears out the opinion of eminent statisticians, that the consumption of bread is very constant; that whatever the price may be, everything must be given up before bread, for the very severe pinch of an increase of price of fully one-half diminished the use of it by only one-twentieth.

## II.—Wheat Crop, 1868.

The bountiful harvest of 1868, and the splendid condition in which it was saved rendering it fit for immediate consumption, was a great relief to the country after the pinching caused by two bad harvests and diminished trade. If there had been only the greater acreable produce to rely on much would have been gained; but a great deal more than that was revealed by the publication of a summary of the agricultural returns on 19th September. The beneficent season had added 2,000,000 qrs. to the produce of an average crop, while the increased acreage under wheat swelled that addition by 1,200,000 qrs. more. Nor was this all; for the fine and heavy sample will improve the yield and quality of the flour by 2 or 3 lbs. a bushel, or equal to one twenty-fifth part of the total produce.

The contrast between the yield of the two last harvests, 1867 and 1868 is shown in a very striking manner when all the figures are placed together.

Years.	Acres under Wheat.	Quality.	Total Produce at 488 lbs.	
			Weight per bushel.	per Quarter.
1867 .....	8,640,000	59		9,350,000
'68 .....	9,951,000	63		16,436,000
Increase in 1868.....	..	..		7,056,000

Here is a difference in a single year, exceeding four months, or one-third of the total consumption. The home crop will give us within

5,100,000 qrs. of our average consumption, and if we add to that one month in consequence of the unusually early harvest, and reckon on 13 months' consumption before the next harvest may be available, we shall need 6,800,000 qrs. of foreign wheat and flour. In the six months since 1st September last we have imported about two-thirds of that quantity, so that, even if imports should for the current six months materially decrease, we are likely to receive quite enough to carry us on with moderate prices till next harvest.

### III.—*Price and Supply.*

The price is a question of great delicacy, though of first importance. In the course of the year 1868 the highest average Gazette price was in May, 73s 8d, and the lowest in December, 50s 1d; the difference 23s 7d. There is thus a fall of one-third from the highest point, which corresponds in most remarkable exactness with the increased produce of 1868 over 1867. So far as our own crop is concerned, the consumer would thus appear to have got the full benefit of the good wheat harvest.

Till next harvest the price will very much depend on the rate of foreign imports. These come to us not so much in relation to price in this country as to the productiveness of the harvest abroad. A scarcity here and high prices will draw the surplus corn from every quarter of the globe to us, but it will not cease to flow when the source of supply is abundant, however low the price may fall in this country. It is an axiom in political economy that no article can remain long below the cost of production. But that cost is very different in different countries. In this country the cost of producing wheat may be taken at the maximum. In other countries where rent, rates, or wages are greatly lower than ours, and especially where, as in Southern Russia and the valley of the Mississippi, there are likewise boundless tracts of most fertile soil, they can continue to produce wheat at prices which would entail loss on the grower in England. Moreover the vast machinery of production, once set in motion, will maintain its momentum for a considerable period after the stimulus has been withdrawn. Thus in 1860, in consequence of two deficient harvests, the price rose 10s. a quarter, and the imports increased one-third over those of 1859. They continued to swell in volume until 1863, the year of abundance, when the price fell 10s. a quarter. The imports did not then decline in the same proportion; indeed but for the disturbance of the American trade, caused by the war, there would have been no decline, and if we exclude America for that reason, and limit ourselves to Russia and Germany, which between them have furnished us with 40 per cent of our imports since the Crimean war, I find that during 1863, 1864, and 1865, when the average price varied between 40s. and

44s., the imports continued at much the same rate as in the two preceding years, when the price was 55s.

A very productive harvest in France will exercise an immediate influence on prices in this country. Not only does her demand for foreign corn cease, but from the small average yield and the vast acreage under wheat a slight increase in the produce tells quickly up. Last year I computed an increase of one bushel on the acre in France at upwards of 2,000,000 qrs. If her increase has been in anything like the same ratio as ours, France will have a large surplus for export, probably quite enough to meet any decline caused by the deficient crop in Southern Russia.

#### IV.—*Steady Decline in the Price of Wheat under Free Trade.*

The effect of free trade in corn has been to lower the price of wheat in this country, notwithstanding the increase of the population and consequent increased consumption. The average price of the twenty years preceding 1848 was 57s. 4d., and of the twenty years of free trade, 52s. 3d. But if the disturbing influences of the cessation of supplies from Russia during the Crimean war, and from America during the later years and since the close of the American war, be eliminated, the average price of the last twenty years would have stood 10s. lower than that of the twenty years preceding free trade.

This is a fact of great importance when we come to consider the increasing population of the country, and the means we have of meeting their annually growing demands upon our resources. The popular estimate of the wheat annually consumed by each person of the community in England used to be 8 bushels. In 1850 I ventured to question that opinion. My estimates then showed that it did not probably from our own soil exceed 5 bushels. Mr. Lawes has lately entered on an investigation of this subject, the first part of which he has embodied in a very able paper in the last number of the "Royal Agricultural Society's Journal." He divides the last sixteen years into two periods of eight years each, and the results of his estimates are embraced in the following summary :

##### ESTIMATED CONSUMPTION OF WHEAT PER HEAD PER ANNUM.

During the Last Sixteen Years	England and Wales. Bushel.	Scotland. Bushel.	Great Britain. Bushel.	Ireland. Bushel.	United Kingdom. Bushel.
First eight years.....	5.9	4.2	5.7	2.7	5.1
Second     "       .....	6.3	4.2	6.0	3.3	5.5
Average of whole period.	6.1	4.2	5.9	3.0	5.3

Converting these figures into pounds, it appears that during the first eight years each person consumed at the rate of 311 lbs. of wheat, and during the last period 335 lbs. But the proportions in which that was

afforded by foreign supply had also altered from 79 lbs. per head in the first, to 134 lbs. in the second. Here two very important results are shown : first, that the people are able to buy and do consume more bread ; and second, that we must depend wholly on foreign countries for the increased supply necessary to meet the growing consumption.

An immense impetus seems to have been given to consumption by the general increase of wages consequent on the Crimean war and the Indian mutiny, and the great exertions put forth by this country on these occasions. The foreign imports of wheat, which up to 1860 had not exceeded an annual average of 4,500,000 qrs., then rose to 10,000,000, and during the last eight years have maintained an annual average of 8,000,000 qrs.

#### V.—*Increasing Rate of Consumption likely to be Fully Supplied.*

But we have not only to provide for an increased consumption by each individual, but for an annual increase of 240,000 in the population. This, at  $5\frac{1}{2}$  bushels per head, is 165,000 qrs. In ten years, at the same rate of progress, that will have swollen to nearly 2,000,000 qrs., and in ten years more to 4,000,000. This would indicate the need of a gradual rise in our foreign imports in ten years, from the present average of 8,000,000 qrs. a year to 10,000,000, and in twenty years to 12,000,000 qrs. a year. In one generation more, say thirty years hence, the imports will at this rate be more than the home growth, if that should remain at its present point. Our past experience of the readiness with which the volume of foreign wheat has increased with the demand would lead to the conclusion that we need entertain no apprehension on that score. California promises us next year more than 2,000,000 quarters. France alone, by a slight improvement in her husbandry, only so much as would raise her average yield from 15 to 18 bushels an acre, could meet our requirements. And when we consider the extent of rich countries within the wheat region farther east which are scarcely begun to be tapped by the railway system, we must feel that we are yet far from having reached the limit at which a moderate rate of price will bring us sufficient supplies. *For wheat, which forms the great staple of the food of civilized man outside the tropics, occupies of all cereals the widest region suited to its cultivation.*

The importance of this fact cannot be overrated. If the wheat region had been of small extent the increase of population would have been quickly limited to the food resources of each country. A continued development of mining and manufacturing enterprise in Great Britain would have been impossible. For nothing can be done without bread. Wheat is the common food, the real staff of life. The hard-working poor are far more dependent on and much larger individual consumers of it than the

rich. If its price like that of most other commodities had risen, or was likely to rise, with the increasing demand, no political foresight, no more equitable arrangement of the burden of taxation, no reduction even in public expenditure could have long availed us. But the wheat region has been designed apparently to be co extensive with the progress of civilized man, and the more regular and extensive the demands upon it the more ready and continuous becomes the supply.

The natural tendency of the gradually falling price of wheat in this country since 1848, has been to diminish the breadth of our own wheat. And the force of that tendency, in spite of the great increase of gold, shows the steadiness of its operation. There has been a yearly increase of consumers, with an increased power and capacity to obtain bread, an increasing ratio in the supply of gold, the representative of its money value; and yet in spite of all that, the price has declined, and the average breadth of wheat grown in the United Kingdom has diminished. But the figures in the statistical returns show how quickly the price of wheat affects the home supply. The two fine crops of 1863 and 1864 reduced the average price to little more than 40s. But in 1867 the price had risen to 64s., and in one year there was an addition of 300,000 acres to our breadth of wheat.

I have already in a previous paper shown that the rate of increased productiveness of the land under wheat is very slow. From that source, therefore, there is little hope of any material increase in our home produce, in the face of larger foreign supplies at low prices. When the price of wheat falls below 50s., the farmer begins to turn his attention to other crops. The value of barley has been rising in nearly the same proportion as that of wheat has declined in recent years, and oats have also fully maintained their price. While the farmer in these, and in the increasing value of his live stock and its produce, will be able to compensate himself against the steady decline in the value of wheat, the people, that vast and increasing body of consumers, have the prospect of abundant supplies of bread at a moderate price, from the yearly extension of the means of foreign transport.

#### VI.—*General Results.*

Having thus endeavored to discuss the main question answered by the agricultural returns, viz., in how far the home crop is available for the national supply of bread, I proceed to extract from the returns certain other points affecting our food and clothing. Beyond a slight increase in the breadth of potatoes, and a nearly similar decrease in barley, and the large increase of wheat already referred to, there has been no material change in the general crops of the country during the last two years.

The table showing the percentage proportions of corn and green crop in each division of the United Kingdom is very interesting. In round numbers it appears that England supplies nine-tenths of all the home-grown wheat, Scotland and Ireland together only one-tenth. And the increased breadth, sown under the stimulus of the high prices of the past year in England, is equal to the whole acreage under wheat in Ireland. England produces more than three fourths of all the barley grown in the British Islands, nearly all the beans and peas, and one-third of the oats. Ireland grows one-half more oats than Scotland, and two-thirds of the entire potato crop of the United Kingdom. The three kingdoms, as compared with France and Prussia, grew the following proportions of acres of corn to their respective populations :

England	1	acre for every	$2\frac{1}{2}$	persons.
Scotland	1	"	$2\frac{1}{2}$	persons.
Ireland	1	"	$2\frac{1}{2}$	persons.
France	1	"	1	person.
Prussia	1	"	1	person.

#### And of potatoes—

England	1	acre for every	62	persons.
Scotland	1	"	20	persons.
France	1	"	12	persons.
Ireland	1	"	5	persons.
Prussia	1	"	5	persons.

With regard to live stock, these countries stand in the following proportions :

	Cattle.		Sheep.	
England	1 for every	5 persons ; 1 for every 1 of population		
Scotland	1	" 3 "	2 "	1 "
Ireland	1	" 1 $\frac{1}{2}$ "	1 "	1 "
France	1	" 2 $\frac{1}{2}$ "	1 "	1 "
Prussia	1	" 3 "	1 "	1 "

Of all these countries Ireland has thus the largest proportion of cattle, and Scotland the largest of sheep.

#### VII.—Increase of Cattle and Sheep.

The entire loss sustained by the cattle plague up to October, 1867, when it had quite ceased, was 190,000 head. The natural increase in the two years since the disease began to decline exceeds 500,000, so that the effects of that calamity, so far as the national supply of food is concerned, have been fully recovered. The increase of sheep has been very rapid, the joint effect of high price of mutton, and the panic which in some counties followed the cattle plague, and led to a substitution of sheep. The total increase of the year has been 1,790,000. The sheep stock of the United Kingdom is upwards of 35,000,000, which is almost the same in number as that of the Australian Colonies and Tasmania, according to the latest returns. The total number of sheep in the United Kingdom

and the whole of the British Colonies, independent of India, cannot now be much under 100,000,000. The import of continental wool is on the decline, while that of colonial is largely increasing. At the late rate of progress, our vast woollen industry in this country will ere long be sufficiently supplied by the home and colonial produce.

Whilst the increase of sheep at home has been rapid and great, there has been a very large decrease in the supply of foreign sheep. These, which in a single year, 1865, had risen from 496,000 to 914,000, began to decline in 1867, and fell back greatly in 1868.

This was caused in some measure by the restrictions imposed on the import of sheep by the Privy Council orders, but was partly also due to the considerable fall in the price of mutton during 1868, arising from the large supply of sheep forced into the home market by the prospect of a dearth in the green crops. But the agricultural returns have revealed to us the gratifying fact, in relation to this important branch of the national food, that there is an immense elasticity in the production and supply of sheep, both at home and abroad, and that may be largely and quickly increased by a moderate rise in price.

### VIII.—*Foreign Dairy Produce not Increasing.*

The foreign supply of butter and cheese has continued very steady during the last eight years. It made a sudden rise in 1861, and had nearly doubled itself in 1862; but from that year the average supply has not materially altered. As the prices of these articles are still highly remunerative to the home producer, there is every inducement to him to develop yet further that branch of agricultural industry, on which the small and middle class farmers are chiefly engaged.

### IX.—*Large, Compared with Moderate Sized Farms.*

The returns afford some indications of the results of large corn farms as compared with the more mixed husbandry and interests of small or moderate sized farms. I have taken ten of the largest farm counties in England and compared them with ten of the smallest farm counties, the total area in both cases being nearly equal. The general results may be broadly summarised thus: The large farm system embraces nearly twice the proportion of corn and half the proportion of green crops and grass. In other words, it is doubly dependent on the price of corn as compared with the middle-class farm system, which relies to a far greater extent on dairy produce, its fat cattle, its vegetables and its hay. The result is that the latter pays more rent or surplus for the use of the land and a higher rate of wages to the laborer.

There can be no doubt that circumstances of soil and position are the chief cause or the distinctive modes of husbandry which have continued

to characterise different counties, notwithstanding the obvious change in the relative values of agricultural produce. The price of wheat is not higher now than it was one hundred years ago. Barley and oats have risen 50 per cent and animal produce more than 100 per cent in that time. And yet wheat maintains its prominence on the heavier soils where a bare fallow is still found the most perfect and economical preparation for that crop, and in the eastern, south midland and southern counties, where a dry climate and somewhat thin soil is less favorable to stock husbandry and grass. It is worthy of notice that in every one of the ten counties where the large farm system prevails the chalk formation predominates, and there is no coal; while in all the ten counties of the smaller farm system coal is present, and there is no chalk. The vicinity of coal has naturally influenced the increase of population and the consequent higher rates of rent and wages.

#### X.—*Proportions Under Bare Fallow.*

The extent of land in England under bare fallow every year is nearly 800,000 acres, which is more than one-tenth of the whole breadth of corn. The proportion in Scotland is about a twentieth, and in Ireland less than the ninetieth part. In France and Prussia an extent equal to one-third of all the cereals is annually left to lie fallow. This undoubtedly indicates the great prevalence of a poor and low state of husbandry in these countries, due in a large degree also to the dryness of the spring and summer climates. But of the three kingdoms it is very remarkable that Ireland should stand so pre-eminently above the others in her comparative freedom from the direct loss occasioned by the necessity of leaving the land to lie fallow, which cannot be wholly accounted for by the comparatively small proportion of clay soils in that country.

#### XI.—*Distinctive Features of Husbandry.*

There is a much greater similarity than will be generally imagined in the agriculture of England and Scotland, and a distinctive principle of difference between them and Ireland in a very important point. This will be clearly seen by the proportions of the whole area of the three countries, exclusive of heath and mountain land, thus divided:

England has in corn and potatoes 33 per cent, in green crops and grass 66 per cent.

Scotland has in corn and potatoes 33 per cent, in green crops and grass 66 per cent.

Ireland has in corn and potatoes 20 per cent, in green crops and grass 80 per cent.

The agriculture of England and Scotland seems thus alike in its prin-

ciple of one-third exhaustive and two thirds restorative crops, while that of Ireland has only one-fifth exhaustive to four-fifths restorative. I have included potatoes in the exhaustive crops, so that Ireland, which has by far the largest proportion in potatoes, suffers some disadvantage by this mode of comparison. But the result is very startling, as it places the agricultural system of Ireland, as an ameliorating and reproductive self-supporting system, far above that of England and Scotland. To this I will return. But as some illustration of the effect of this exhaustive system of corn husbandry as compared with its proportion of the restorative green crops and grass, the following figures gathered from the returns are deserving of notice:

	Per cent of corn and potatoes.	Percent green crop, fallow & grass.	Av. prod. of wheat p. acre. Bushels.
England .....	33	66	28
Prussia .....	45	55	17
France .....	54	46	14

This would seem clearly to show that deterioration rapidly follows the loss of a due balance between the exhaustive and restorative crops, where there are no extraneous means of supplying the loss.

### XII.—Feeble Yield of France Explained.

The state of agriculture in France is of much importance to the consumer of bread in this country. In some recent years she has contributed one-third of our whole foreign supply of wheat, considerably more than the entire produce of Scotland and Ireland. A good crop in France, therefore, at once tells on our prices, whilst a failure brings her large population into competition with us in the general market of the world. She has a vast breadth annually under wheat, but the yield is very small. This has been attributed, and would appear partly due, to the poverty and want of skill of her small occupiers; and many arguments have been founded upon it against the small farm system and the minute subdivision of land. But it has often struck me in passing through that part of France which lies between us and Paris, that the general cultivation of the land, and the appearance of the growing crops, was quite equal to our own, and the very low average rate of yield of wheat officially stated seemed to me, therefore, unaccountable. The explanation has been afforded to me by the distinguished French economist, M. De Lavergne, in the following letter, dated 25th February last: "The official returns gives a mean yield of  $14\frac{1}{2}$  hectolitres per hectare, the actual yield being more above than below the estimate. Eight departments, Le Nard, l'Oise, l'Aisne, Somme, Seine-et-Oise, Seine-et-Marne, Seine and Eure-et-Loire, have a yield equal to the English average; but the forty-five departments which form the southern part of the territory, do not yield more than 10 hetolitres to the

hectare. This feeble yield is caused in many of the departments by bad cultivation, and in the south by the dryness of the climate in Spring. The statistical returns also show 5,148,000 hectares of fallow, which is in fact the third of the surface sown with cereals." There is no help for that part of the country which suffers from great dryness of Spring climate, but there would seem much room for improvement in the yield of wheat over the remainder, which comprises probably more than one-half of the surface of France. As increasing importers and consumers we are nearly as much interested in that improvement as the French themselves. The state of agriculture must be low, indeed, where it is possible to be carried on with an average produce of 10 to 12 bushels wheat an acre. The costs and profits of cultivation must be at the very minimum to yield any surplus for rent, and the condition of the cultivator must be a hard one. He has other sources no doubt, which may help him—his vines and oil—but in the nature of things it is impossible that he can get any profit from his wheat crop, until by such a change of system as will increase its yield. Towards this object the French Government have for some years been unremitting in their attention, by contributing largely from the public resources to improve the internal communication of the country and facilitate the interchange of products. The increase of a few bushels an acre over so large a surface as one-half the wheat crop in France, would give her a regular surplus for exportation.

### XIII.—*Irish Agriculture.*

It was my intention to have instituted a comparison between the large farm system of England, and the small farm system of Ireland, and I had prepared detailed statements of groups of counties in the two countries for the purpose; but there are too many elements of estimate or conjecture to warrant their publication as a statistical deduction. If we confine our attention to Ireland alone, some remarkable anomalies present themselves. The province with the highest valuation—Leinster at 20s. an acre—has the smallest population on the square mile of land under the plough; while Connaught—with a valuation of 6s. 8d. an acre—the lowest of the four provinces, has the largest population in proportion to its arable land. The poorest part of the country is thus also the most populous. But that does not seem to arise from an excess of small farms, for Leinster has a larger proportion of holding under five acres than Connaught.

### XIV.—*No Recent Reduction in Small Holdings.*

A great reduction took place in the number of small holdings in Ireland during the years of the potato famine, 1845. to 1850, but since 1850 there has been very little alteration. The comparison one constantly

meets with is between the years 1841 and 1861, the small farms being stated to have fallen in that time one-half in number, and the larger sized increased in an equal ratio. But that has not been progressive. It had all taken place before 1851, and there has been no marked change in this direction during the last eighteen years. In 1867 the number of holdings was 607,000, divided thus:—307,000 farmers holding farms of 15 acres and under, and 300,000 farmers of 15 acres and upwards. But the first-class, or small farmers, hold not more than one-eighth of the cultivated land; the second-class, or larger farmers, holding seven-eighths of the whole.

We have already seen that the counties in England where the system of moderate-sized farms prevail have the smallest proportion of corn, and the highest of cattle and of dairy stock. They have a greater rainfall, a deeper soil, and are more productive of grass and green crops. Now, if we exclude from consideration for a moment the 307,000 small farmers, that is exactly the state of Ireland. Her climate and soil are very favorable to green crops and grass and to dairy farming, and she has the further great advantage, which I have already shown, of having the smallest proportion of such land as it is necessary to lay fallow; and her system shows the largest proportion in the three kingdoms of restorative to exhaustive crops. Her only disadvantage as an agricultural country is the occasional visitation of seasons of too much rain. That has several times imperilled the wheat crop. But the wheat crop is less than one-tenth of the cereals of Ireland, and her agriculture is but little dependent upon it. Oats are her chief reliance as a corn crop, and from flax she derives an annual return of between two and three millions sterling—an article which may be said to be now unknown to the agriculture of England and Scotland. If we sum all up, we find that, as compared with the sister kingdoms, Ireland has on the whole a more productive soil, and her produce is chiefly of that kind which in the last twenty years has risen most in value. I am very much disposed to think that the seven-eighths of Ireland, which are in the hands of the larger farmers, yield as great a produce per cultivated acre as the average of England and Scotland. I am not in a position to submit this to any accurate test of proof, but this is the impression left on my mind as the result of a careful investigation of the question.

*XV.—Distress mainly Confined to One-eighth of Land in Hands of  
Smallest Occupiers.*

But the position of the 307,000 small farmers who occupy the remaining eighth of Ireland is probably very different. It is among that body that real distress is found, though the class of larger farmers, not much

separated from them, have helped to swell the general complaint. Experience has shown that it is only in climates and upon soils the most favorable that an entire dependence for his subsistence can be placed by the cultivator of a few acres of land. Even in Belgium, where circumstances are favorable, the small cultivator has but a hard lot of poverty and toil. He thrives where, in addition to his land, himself and his family find regular employment in some other industry. It is the same with the English peasant. A man who has regular employment at wages finds an immense advantage in a good garden allotment beside his cottage, and that is vastly increased when that cottage is on the farm, away from the temptation of the beer-shop, and where, as part of his wages, he receives the keep of a cow. This is the system in the border counties, where agriculture is in the most prosperous state, and the agricultural laborer the best fed and clothed, the most educated and intelligent of his class in any part of the three kingdoms. But the Irish farmer of a few acres of inferior land must be in a position of chronic distress. The witnesses most favorable to him examined before Mr. Maguire's Committee in 1865, held that 15 to 20 acres and upwards was the least extent on which a man with his family could be expected to thrive. On land of good quality, and near a large population, a much smaller extent might no doubt be found sufficient. But taking the land of Ireland as it is, and the circumstances of the country, and its mode of agriculture, there is a general consent of the most competent judges in that country, that farms below 15 or 20 acres are too small to afford a due return for the entire labor of a man and his family. It would therefore follow that 130,000 of the small farmers, with their families, are as many as the remaining eighth of the surface of Ireland can profitably maintain as farmers, and that there will then remain a surplus of 170,000 and their families. These figures represent the whole number of holdings; but several holdings are believed to be in many cases in the hands of one farmer, and the total number of occupiers is therefore reckoned by Lord Dufferin not to exceed 441,000. If that be so, the surplus to be otherwise provided for will not exceed 100,000.

That seems no impossible an achievement. A wise measure for settling the long agitated question of the tenure of land will give a great impetus to improved agriculture, and the consequent demand for labor will rapidly absorb that surplus. It is, after all, little more than one additional family for every 160 acres of cultivated land. I have no doubt that the Legislature which shall pass the great measure of pacification for Ireland, which is now under its consideration, will in due time complete the work by a just land law, which will give greater security to the employment of capital in the cultivation of the land, and call into action that surplus labor, without which its latent fertility cannot be fully developed.

*XVI.—The English Agricultural Laborer.*

But, though the state of the Irish peasant has been more forced upon public attention, the condition of the agricultural laborer in England is very far from satisfactory. The agricultural returns afford no guide to its consideration. He is the only class of the community who has no representative. The Irish peasant has, directly in many cases, by his vote as a small farmer, and indirectly through his church, which (connected neither with the landlord nor the State) brings the aggregate feeling of the people to bear upon their Parliamentary representatives. By one means or another they do make themselves heard in Parliament. But so little is known of the English agricultural laborer, that when his actual condition is set forth in the report of a Royal Commission, the public are struck with astonishment, and even the landowners are surprised to find a state of things at their doors which many of them little suspected. The condition of the laborers' dwellings is in some counties deplorable. It is not my province, however, on this occasion to enter further on that subject. I attempted to introduce a clause in the last Census Act, in 1860, which would have thrown much light on the state of our cottage accommodation, but it was rejected in the English Bill. It was adopted, however, in the Scotch census, and has shown that one-third of the population of Scotland lived, each family, in houses of one room only, another third in houses of two rooms; two-thirds of the whole of the people being thus found to be lodged in a manner incompatible with comfort and decency as now understood. The same returns in the next census will show the progress that has been made in the 10 years; and the public advantage of this will, I trust, lead to the adoption of a similar system in the next English census.

In the same year I moved for the returns of the wages of agricultural laborers in England and Wales, which was subsequently followed for Scotland and Ireland. Upon these returns Mr. Purdy read to this Society an able and interesting paper in 1861. These form very important branches of the statistics of agriculture, and though it is not necessary that they should be included in the annual returns, I trust their importance will not be overlooked in the preparation of the next Census Act.

*XVII.—Great Change in proportion of the People Dependent on Agriculture.*

It has been found in Ireland, and is the case to a less extent in some parts of England, that it is not so much the low rate of wages as the irregularity of employment which depresses the condition of the agricultural laborers. That is mitigated by emigration from the agricultural to the

mining and manufacturing districts, or to foreign countries. Mere farming will not take up profitably the natural increase of population in a thickly-populated country like ours, and the purely agricultural districts in each of the three countries are constantly parting with their surplus. The proportion between the producers and consumers of food is thus undergoing a marked change. In 1831, 28 per cent of the population of England and Wales was occupied in the business of agriculture. In 1841 it was 22 per cent. In 1851 it had fallen to 16 per cent, not so much from an actual decrease of the numbers employed in agricultural as from the far greater proportional increase of trade. In 1861 the proportion was 10 per cent, and then not only had the proportion diminished, but the actual numbers had decreased by nearly one-fifth. It is very a remarkable fact that in the course of a single generation the proportion of the people of England employed in and dependent on agriculture had diminished from a third to a tenth. The only means of arresting this is by providing better paid and more regular employment in country work, and thus diminishing the temptation of the higher wages of the mines, the factory, and the towns.

#### XVIII.—*Home-Grown Sugar.*

Last year I touched on this subject, and mentioned the intention of trying the beetroot sugar growth and manufacture in this country. The experiment was made in Suffolk, and with so much promise of success, that in the same locality this season a sufficient breadth of beet will be planted to keep an extensive sugar factory in full work for the four slack months from October to February. The matter, then, will be beyond experiment, for if it proves, as is anticipated, the suitability of our climate and soil to the profitable production of sugar-beet, it will be the dawn of a new agricultural industry, which may rapidly be developed, to the great benefit both of England and Ireland. The possible magnitude of the result will be readily appreciated by the fact that in this country the consumption of sugar is equal to nearly one-third of all the sugar annually produced in the tropics and on the continent, and that any disturbance which would seriously alter the state of property or labor in Cuba, must give an immense stimulus to the demand for beetroot sugar. And the reduction of price which will follow the "free breakfast table" promised to us by Mr. Bright, as one of the early results of economy in our public expenditure, will rapidly augment that demand.

In a national point of view the introduction of a new manufacture connected with agriculture, such as beetroot sugar, will both enlarge the field of remunerative labor in the country, and provide an absolute addition to

agricultural produce and wealth. For the pulp after the sugar is extracted has lost little of its value as cattle food, and therefore the substitution of sugar-beet for some of the present cattle crops will displace to a very small extent the means of feeding cattle. And even that will soon be made good by the more generous farming which the profits of sugar-growing will enable the farmer to practise on the other crops of his farm.

I have here a specimen of the first English-grown sugar, not a mere experiment, but produced as a matter of business. I find, from a French paper sent to me this morning, that the northern departments of France now produce about 200,000 tons of sugar a year, or nearly two-thirds of the sugar consumed in France. We use twice as much sugar in this country as the French do, and its consumption is always increasing. At a reduction of price equal to the present duty that increase would rapidly extend. I may be over sanguine on the subject, but I should not be greatly surprised if in ten years hence many thousand acres in the United Kingdom should be profitably employed in the production of home-grown sugar.

#### XIX.—*Return of Horses Desirable.*

The last topic on which I will touch is one of omission. The returns of live stock do not include horses, the most interesting, and individually the most valuable of all. As every man knows the number of his horses, the return can be given without occasioning a particle of trouble, and I hope therefore that the schedule for the present year will include a column for horses.

In conclusion, I think it will be generally admitted that the agricultural returns have proved most useful and most instructive, and considering the ever increasing demands of our population on the resources of agriculture, I trust that nothing will be permitted to interfere with their continuance, and with that greater development which further experience may render it desirable to introduce.

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#### THE COMING CHINESE.

The immigration from Europe has been in a westward line and millions have come from that line of population to occupy the virgin soil of the United States. These millions now seem likely to be supplemented by other millions coming from the West and meeting the great tide that has already poured in upon us. The planting of American interests on the Pacific coast and the discovery of gold in California at once arrested the sluggish thought of Asia and turned the attention of China to this country. Many years ago the Chinese began to come, slowly at first

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and then in larger numbers, until a few days ago a single steamer landed 1,200 at San Francisco; and only week before last, the Chinese merchants of San Francisco, on the occasion of meeting the Congressional Committee of Ways and Means, urged upon them the importance of doubling the subsidy to the Pacific Mail Steamship Company so that it might engage in a bi-monthly service in order to accommodate the growing business between China and the Pacific coast of the United States. There are, at least, 200,000 Chinamen in this country. They have spread all over California, their outposts are carried even East of the Mississippi. Last week 500 went down the great river in quest of a new home in Louisiana. The population of China is variously estimated at from 400 to 500 millions. It is only within six years that the Chinese emigration has gained large proportions. Persecuted and evil entreated they have been, but this has not kept them back. Harsh laws and a harsh public opinion have met them, but they have borne all and quietly asserted their right to labor. That they are needed, the immense acres of uncultivated land that we have, give proof. That they are frugal, industrious, teachable, patient and intelligent, even their enemies concede.

When the Chinese came to California and encountered the hostility that met them, they found it necessary to organize themselves into companies for mutual protection. There are six of these in San Francisco, directed by Chinese merchants of standing and influence. Each company represents a district in China, and emigrants join the company which covers the place from which they come. The companies procure labor for their members and take care of them in sickness and when unemployed. They advance money to bring out emigrants, and then take the stipulation of the emigrant for the speedy repayment of the sum advanced. This is briefly the system on which the false charge of a sort of peonage or slavery has been based. The Chinese quickly made themselves popular as house servants. They are neat, orderly, skillful, inclined to remain in a place, have no "followers" and are not troubled with a desire to attend religious services, either before breakfast or after dark. The ladies admire them so much as servants that they will be likely to change the public sentiment of California in regard to their civil and political relations. Already housekeepers at the East, wearied and vexed with the inadequate service rendered by our household dependents, turn with longing eyes to the Chinese as auspicious of a better and brighter day in the domestic economies. Once shown how to do a thing, and why, Chinamen need no further instruction. Chinese art and labor are the perfection of imitativeness. They not only labor in houses, but they are bookbinders and printers, setting type readily in a language they cannot read; they are careful and extraordinarily skilled tailors;

they manipulate the tools of the designer and the carver; they handle the most delicate labor-saving machines with address and intelligence. The Pioneer Woollen Mills were once burned because they employed Chinese labor; now they work in the same mills unquestioned. In gangs of street laborers they were mobbed a year ago; now they work in San Francisco streets without the protection of the police. Quiet, peaceful and persistent, they have disarmed much opposition. Under State enactments they have paid a license tax of four dollars a month for the privilege of working in the mines, besides other taxes they have paid. Once the Legislature imposed on them a special police tax of \$5 a month, but the Supreme Court pronounced it unconstitutional. Nearly all of the Chinese read and write their own language. They are anxious to acquire our language, and they send their children to the State Schools.

The cost of Chinese labor is one of its great recommendations. The Chinaman will live, and save, and thrive on the starvation wages of other laborers. They can work for one-third the cost of European labor, so that gold mines which yields \$7 per ton can be made productive where white labor halts when the result is less than \$20 per ton. But it is as the railway "navvy" that the Chinaman has made his mark. The builders of the Central Pacific Railroad hesitated long before they employed him. He turned up less earth at a shovel full than the Irishman did, but he turned up more shovel fulls in a day. He knew nothing of strikes. He never indulged in sprees or thirsted for a "row." A California railway contractor, who has worked laborers of many nationalities says, that these Asiatic laborers are the most serviceable and least troublesome of any to be found on the Pacific slope. They are promptly on the ground to begin work the moment they hear the signal, and labor steadily till notified that the working hours are ended. They will, ere long, turn the sod and build the embankment, on other lines, across the continent, and upon the numerous roads which are to be constructed in the Southern States. They will yet be familiar faces in New England factory towns.

The political and religious relations of this incoming Chinese population are foreign to our consideration of the subject. We look at the question in its bearings upon population and in the grand results to be effected in the industrial development of the country. Railways and canals, wharves and docks, public buildings are to be constructed. Farms are to be cultivated. The hundreds of millions of acres now waiting culture are to be made productive. Is it not the part of wisdom to execute these enterprises at a cost for labor of one-third that which is now paid? Great projects languish because of the cost of execution, and here come to us naturally and easily the willing hands and the eager wills. They come just fast enough to admit of their assimilation with the various masses of

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people that compose our population, and which are rapidly acquiring homogeneity. They can live in any part of the land, but they tend rather to the Southern portion of the Union as more nearly allied to the climatic influences to which they have been habituated. There is a movement now in progress at the South, to tempt Chinese emigration thither. It meets with a singular unanimity of approval. It is regarded as the means and the hope of a new and higher prosperity than has ever yet visited those States productive and prosperous as they have been. To the convention which represents this movement, a report has been made that emigrants in lots of 50 or upwards can be brought from California for \$50 each in gold, and from Hong Kong to San Francisco for from \$80 to \$100 in gold. A Chinese contractor who has brought 30,000 laborers to the Pacific Coast, says that they are paid in California 90c to \$1.10 in gold, per day, that they will come from San Francisco to Memphis and work for \$20 a month, while if brought out fresh from China, they may be had for from \$10 to \$12 a month. He remarked, however, that at these low wages they were likely to abandon their situations for higher wages, unless security was exacted of them. Chinese companies organized in the South, with those in California might arrange the proper security. But of this movement we shall speak again.

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#### THE CENTRAL NATIONAL BANK DEFALCATION.

A better proof could not be given of the judicious choice which has been made of officers for our new National Banks than the very rare occurrence among them of defalcation and breach of trust. One of these painful and exceptional instances has recently been detected and has awokened almost equal surprise and sympathy. William H. Sanford, the Cashier of the Central National Bank in this city, was, it seems, one of the sufferers in the recent Mariposa speculation which terminated so disastrously for the holders of the shares, who had supposed that this highly speculative stock had ceased to be the foot-ball of Wall street, and had taken a permanent place among the solid securities whose value would be steadily but slowly and surely appreciated with the improvement of the property it represents. The particulars of the disaster which befel this stock are fresh in the memories of our readers and were detailed by us at the time. It is sufficient for us now to say that Mr. Sanford, like multitudes of other victims, thought the decline was temporary, and did not wake up to the real state of the case until the final crash had come and had left him the loser of one hundred thousand dollars. To keep his account good with his brokers he seems to have placed in

their hands securities of which the bank was the depository and which belonged to various customers of the institution, chiefly to persons and banks outside of the city. Goaded almost to madness by the discovery that his loss was irretrievable, this miserable delinquent, placed as he was in peril of the most severe punishment from the laws of his country, obtained leave of absence from the bank, and, before his crime was found out, put himself beyond the reach of pursuit, and is now supposed to be in France or South America. The unhappy family are left quite destitute, and no trace seems to have been left by which he could be followed and brought back to justice.

Such are the chief facts of this painful case which has inflicted a loss on a banking institution of the very highest credit, and has swept away a part of the surplus which belonged to the stockholders, involving not only a crime which has blasted the career of a man heretofore stainless and respected, but has also grieved and shocked beyond measure his wide circle of friends and has plunged his family into the depths of poverty. There are two or three lessons of a general nature which we should not omit to deduce from the event.

The first is the necessity of enforcing on all our bank officers the strictest prohibition of speculation. Let the directors of every national bank adopt a rule that any officer or clerk discovered speculating in the stock market, either with his own money or not, shall be instantly dismissed without being allowed to resign. Such a rule might, it is true, be evaded. But the men who would evade it are just the sort of speculators to be detected in some other way, if the directors and the other officers of the bank do their duty. The chief effects of this prohibition would be felt by such men as Sanford, who are self respecting, frugal, honest, but anxious to be rich, and tempted by the success of others, to try to draw a prize in the Wall street lottery. When such a man is tottering on the brink of his first breach of trust and shrinks with the sensitiveness of a half-awakened, half-paralyzed conscience from taking the fatal plunge, let him have at least this one chance to rescue himself. Let him have the knowledge that if discovered he will be ignominiously discharged from his place and will find it impossible to get another.

But it may be said that the brokers, through whom these bank officers must do their surreptitious speculation, would keep the matter so secret that the risk of detection would be almost annihilated. This is not so certain. By a law of the last session of Congress, the broker who is a party to such defalcations as this of Sanford's, is liable to severe penalties, and it is not possible that perfect secrecy could be preserved in any such transactions. Somehow or other the affair would leak out, and the delinquent would be all the time in danger. In such matters it is of great

importance to raise barriers against the first offence. When a bank cashier or a bank clerk has once gone wrong, it is easy to repeat the offence. Besides, the first breach of trust involves usually a small amount, easily replaced, though perhaps urgently wanted. Yet if yielded to the temptation will grow by that it feeds on till like a canker, it destroys and ruins. Sanford would not now be a fugitive from justice after blasting his own prospects and ruining his family, had he resisted the first temptation, which involved probably a trivial sum. Public opinion will support our banks in the enforcement of the penalty of dismissal which we have suggested as the proper punishment for a bank officer or clerk who is found guilty of the crime of speculating. And except some such safeguard is given, the banks must not be surprised, if they are looked upon by some of their stockholders and dealers with anxiety not altogether devoid of distrust and fear.

There is one other point which demands notice. Mr. Sanford's accounts with the bank were all in the most perfect order. The books of the institution showed not the least indication that anything was wrong. And still he was a defaulter to an amount one half of which would have been regarded by him as an ample fortune. For aught we know, similar losses might have taken place before, but were retrieved in time to prevent discovery. Now it will be impossible to persuade the public that there is not something radically defective in this loose way of keeping bank accounts. If a bank officer can show a clean record on his books after he has made away with \$100,000 of funds belonging to his customers, it is high time that some more effective checks were devised for keeping such violent temptations away from fallible men. It will be well if this defalcation in the Central Bank, which is one of the best managed institutions in the city, should draw the public attention to this matter, and should cause some better guarantee that the records and books of the bank should give such an account of the funds in the hands of the officers that defalcations may be more easily detected and more effectively prevented.

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#### THE FINANCIAL OUTLOOK.

In the anomalous condition of our national finances, every body is asking with anxiety about the future, and there are several points which are well deserving attention with a view to forecast what awaits us. The first is that there is no lack of capital in the loan market. This capital may not be easily accessible to ordinary borrowers. There are obvious reasons why it is hard for the mercantile community and the ordinary public to obtain from the banks the usual accommodations to which they have been

so accustomed that they find the want of it a serious deprivation. Still that capital is here in large accumulated masses, the vast amounts of securities of all kinds which are offering in Wall street, offer a conspicuous proof.

The second point is that this capital is in few hands. Never was there a time in our history when capital moved in such large masses as now. The effects which this aggregation of the money power is producing in the course of speculation is destined, no doubt, to produce hereafter some very troublesome evils. It has its compensations, however, for without it the gigantic strides which the South and West are making in the career of material progress would have been impossible. There is, however, considerable jealousy of the growing power of capital, and no small apprehension prevails lest the corruption and other mischiefs it is likely to inflict on the republic should outweigh all the advantages it is likely to confer. Without acknowledging for a moment the justice of this jealous suspicion, we frankly admit that this growing power of capital will bear watching, and that some remedies for the evils it has produced and the greater evils it threatens are already demanded, and should neither be refused nor delayed.

The next point worthy of note is the large profits made on capital in this city. There are not a few national banks in the country whose officers almost reside permanently in New York, and use the money of the bank in Wall street to much better purpose, so far as profits are concerned, than if they soberly and quietly sat still at home and lent it to their neighbors in the legitimate way of loans and discounts. We do not now refer to speculative bank officers, but to those sharp, shrewd austere men who never speculate, but always in a tight money market have large sums to lend at the highest rates. How far the recent prosecutions for usury will check this trading in money we cannot tell, but there is no doubt that the vast sums which have been lending in Wall street of late at usurious rates were not wholly derived from our city banks or from city lenders. A goodly proportion of the amount we fear comes from country national banks, which are technically said to be "run in Wall street." There is some doubt whether such banks would not have their privileges revoked if these privileges, which really belong to another State, are thus transferred to New York for the sake of extra profits. The country banks are notoriously unable to make such large profits as the banks of the city, but this is no excuse for the abuse in question. We do not now discuss this aspect of the case however. We only allude to it as an illustration of the vast profits which shrewd money-lenders can make by manipulating loanable capital in Wall street.

Another of the most significant features of the financial situation is

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that the trouble caused by the monetary spasms which have lately prevailed, and the dead uncertainty as to the future of the loan market, do not prevent capitalists from embarking large sums in permanent investments of almost any kind. Railroads are building, while all over the country, and especially in our large cities, new edifices are going up, and on every side there are unmistakable indications of the rapid conversion of floating capital into fixed forms. Meanwhile, almost every description of legitimate business is suffering, and there is no small apprehension among our mercantile classes as to the prospects of the fall trade. It is premature to offer any very positive opinion as to these apprehensions. But there can be no doubt that those persons are greatly in error who suppose that the country is growing poorer. Everyone who is familiar with the history of England during the first decade after the Napoleonic war will call to mind that that country passed through an experience very similar to our own, although in our case the evils are somewhat more aggravated, because our currency is more deranged, and the speculation bubble of paper money has assumed more formidable dimensions.

From all that has been said, two obvious inferences arise. First, there is no ground for fear lest we are on the eve of a general financial crash. The country is richer to-day than ever before in all the elements of material wealth, and we can bear all needful fiscal burdens if care be only taken to reform our internal tax list, to keep the national debt sacred and to enforce the most rigid economy in every department of governmental administration.

Secondly, the monetary troubles of the past six months, although artificial in their origin, indicate a highly sensitive and excitable condition of the financial atmosphere, and as they may be repeated again and again, our mercantile and industrial enterprises should be kept as nearly as possible within the limits of sound prudence and of bona-fide capital. If our merchants and business men will avoid speculative risks and trust to legitimate operations, they will soon find the country recuperating and themselves recuperating with it. If, as seems probable, a beneficent Providence gives us a copious good harvest this year, north and south, we shall soon enjoy more obvious and general prosperity, and joy and plenty will cheer those sections of our industry where now gloom and depression are but too frequently found. We see no reason to doubt the accuracy of those shrewd, far-seeing merchants of this city who, from the scarcity of goods in the interior, the anticipated good harvest, and the substantial prosperity of the country, are looking for a lively fall trade.

### RAILROAD EARNINGS FOR JUNE AND FOR THE FIRST SIX MONTHS OF 1868 AND 1869.

The results of the June traffic of our railroads, as compared with the returns for the corresponding month of last year, are highly satisfactory, showing as they do an increase of no less than 14.84 per cent in the earnings of ten leading western lines. Not one of the roads indicated has fallen behind the previous years' earnings. That these favorable results are due to enlarged business is well ascertained, since the tariff of 1869, both as to passenger and freight rates, are lower generally by several per cent than in 1868. There has been worked in 1869, however, about 150 miles more road than in 1868.

The earnings for June are as follows :

#### RAILROAD EARNINGS FOR JUNE.

	1869.	1868.	Inc.	Dec.
Chicago & Alton.....	\$391,685	\$341,504	\$50,181	....
†Chicago & Northwestern.....	1,258,284	1,167,541	90,740	....
*Chicago, Rock Island & Pacific.....	508,000	378,400	129,500	....
Illinois Central.....	668,112	626,249	41,763	....
Marietta & Cincinnati.....	113,648	95,322	28,326	....
Michigan Central.....	863,623	825,301	41,322	....
Michigan Southern.....	408,139	365,17	43,023	....
Milwaukee & St. Paul.....	678,800	458,191	220,609	....
Ohio & Mississippi.....	223,236	217,082	6,154	....
St. Louis, Alton & Terre Haute.....	154,152	140,408	13,744	....
Total.....	\$1,755,559	\$1,558,154	\$17,405	....

The returns of the same companies for the first half of the same years show an increased traffic averaging of 12.36 per cent. The total earnings from January 1 to June 30, for the current and last previous years were as follows :

#### EARNINGS FROM JANUARY 1 TO JUNE 30.

	1869.	1868.	Inc.	Dec.
Chicago & Alton.....	\$2,166,636	\$1,783,318	\$383,308	....
Chicago & Northwestern.....	6,468,326	5,814,497	616,029	....
Chicago, Rock Island & Pacific.....	2,330,109	1,877,579	452,530	....
Illinois Central.....	8,767,531	8,335,552	431,929	....
Marietta & Cincinnati.....	637,942	565,983	71,959	....
Michigan Central.....	2,278,365	2,085,569	192,796	....
Michigan Southern.....	2,534,215	2,295,033	238,329	....
Milwaukee & St. Paul.....	2,975,997	2,484,369	491,737	....
Ohio & Mississippi.....	1,271,189	1,883,079	\$608,890	....
St. Louis, Alton & Terre Haute.....	91,476	836,492	83,294	....
Total.....	\$25,283,186	\$22,501,821	\$2,781,821	....

In our former statements of monthly earnings we included the Pittsburgh, Fort Wayne & Chicago and the Toledo, Wabash & Western Companies. The new relations of these roads, and the difficulty of obtaining separate returns, compel us to omit them. We also omit the Western Union Company.

\* Miles working in 1868, 454; in 1869, 594.

† Including leased lines in Iowa.

### THE PUBLIC DEBT AND FINANCES OF NEW HAMPSHIRE.

The public debt of New Hampshire has been created solely for war purposes, and on the 1st day of June, 1869, amounted to (bonds \$2,849,200, and notes \$321,810) \$3,171,010. The State also holds trust funds to the amount of \$42,925 22. The following statement describes the bonded debt :

*Six per cent Loan of 1861.....\$705,200*

Authorized by Act of July 3, 1861. Issued \$1,000,000, in 100s, 500s and 1,000s. Coupons January 1 and July 1, and principal July 1, 1866-1875 inclusive, the annual payment averaging about \$100,000. Up to date \$294,800 has been paid, and \$100,000 became due July 1, 1869. All these bonds bear date July 1, 1869. Payable at Boston or Concord.

*Six per cent Loan of 1862.....\$294,000*

Authorized by Act of July 9, 1862. Issued \$300,000 in 500s and 1,000s. Coupons January 1 and July 1, and principal July 1, 1876-1878 inclusive. These bonds also bear date July 1, 1861, the act authorizing them being supplemental to that of July 3, 1861. Payable, interest and principal, at Boston or Concord.

*Six per cent Loan of 1864.....\$600,000*

Authorized by Act of August 19, 1864, and bonds dated September 1, 1864. Issued \$600,000 in 1,000s. Coupons March 1 and September 1, and principal—\$450,000 September 1, 1884, and \$150,000 September 1, 1889. Payable at Boston or Concord.

*Six per cent Loan of 1866.....\$1,250,000*

Authorized by Act of July 7, 1866. Issued in 100s, 500s and 1,000s. Coupons April 1 and October 1, and principal in sums of \$250,000 annually, October 1, 1870-1874, inclusive, both payable at Boston or Concord. The act as above, and a supplemental act of June, 1868, authorized the issue of \$1,800,000, so that there remained in the Treasury June 1, 1869, \$550,000 subject to issue, and which will probably be used in taking up the short loans which mature at various dates prior to January 1, 1870. These are in the shape of notes bearing interest (6 per cent \$28,810, and 7 per cent \$293,000) \$321,810. Under the law of 1868 the Treasurer has also the authority to hire all the money that will be needed for the temporary use of the State, so that no further legislation will be necessary.

Of the State's claims against the United States for expenditures for war purposes, amounting to \$1,032,527 45, there has been allowed and paid \$1,000,618 06, leaving a balance still disallowed of \$31,908 39.

The population of New Hampshire in 1860 was 326,073, which was 11.74 per cent increase from the next previous decennial census, or 1.17 per cent per annum. The population is now estimated by the State Treasurer at 350,000, showing an increase in nine years of 23,927, or 7.34 per cent. This estimate is based on a reduced rate of increase, and is probably nearly correct, the retardation to the extent shown being due to the withdrawal of large bodies of troops from civil life from 1861 to 1865. The war debt, as above exhibited, divided among the existing population is thus only \$9 06 per capita.

The value of taxable property in 1868 was (real estate \$69,344,903, and personal property \$79,720,387) 149,065,290. Compared with the war debt of the State this amounts to one of debt to every \$47 09, or 2.12 per cent of valuation. The valuation of 1858 was \$84,758,619, the increase in ten years having been \$65,306,671, or 78.23 per cent. The valuation of 1868 has probably been based on a nearer approximation to market rates than that of 1858, and hence the enormous addition to the sum total. The valuation of 1868 gives \$425 90 to each inhabitant.

The rate of taxation in New Hampshire is 4 per 1,000 on the valuation. The amount levied for the service of 1869-'70 will hence be \$596,261 16. This rate covers taxes of all kinds levied for State purposes. There is very little delinquency in this State, the whole sum of the taxes of 1865-'67 and '8 delinquent on June 1, 1869, having been only \$1,181 54, an infinitesimal percentage on the amount levied.

The following is a synopsis of the revenue and disbursements of the State Treasury for the year ending May 31, 1869:

**REVENUE.**—Cash June 1, 1868, \$18,684 72; taxes of 1866, \$6 25; taxes of 1867, \$1,035 63; taxes of 1868, \$623,840 63; savings bank tax, \$92,017 58; railroad tax, \$215,615 00; civil commissions, \$630 00; copyright of vol. 46 N. H. Reports, \$100 00; tax on foreign insurance companies, \$100 00; rent of store-house, \$300 00; war claims, \$42,158 21; interest, \$4,785 65; loans, (school fund \$25,050 00. notes \$427,660 00, and bonds \$242,500 00) \$695,160 00. Total, \$1,702,333 67.

**DISBURSEMENTS.**—Executive department \$3,918 80; Secretary's Department, \$3,853 29; Treasurer's Department, \$3,657 98; Adjutant-General's Department, \$9,550 74; Department of Public Instruction, \$3,604 40; Legislative Department, \$47,362 57; supreme judicial court, \$11,541 52; probate courts, \$7,685 65; State library, \$1,549 69; compiling provincial papers, \$3,501 40; State house, \$2,757 22; N. H. Asylum for Insane, \$28,888 39; education of the blind, \$3,674 84; education of the deaf and dumb, \$2,012 50; reform school, \$12,182 92; State Prison, \$10,374 25; volunteer militia, \$35,759 77; military expenses, \$6,049 29; White Mountain roads, \$2,600; miscellaneous, \$5,928 11; savings' bank

tax \* \$99,917 58; railroad tax \* \$100,138 61; interest, \$225,436 02; payment of bonds, \$850,100 and of notes, \$139,254. Total, \$1,627,-299 54. Cash, May 31, 1869, \$75,034 13.

Deducting the receipts from bonds and notes, &c. (\$695,160), the revenue amounted to \$1,007,173 67, and the payments of bonds and notes (\$989,354), the disbursements amounted to \$637,945 54, which last named sum paid the ordinary expenses of the State, the distributions to towns, and interest on the bonds and notes outstanding.

The condition of the Treasury June 1, 1869, is shown in the following statement:

LIABILITIES.		ASSETS.	
Bonds.....	\$2,849,900 00	Cash in Treasury.....	\$75,037 13
Notes.....	82,810 00	Taxes, delinquent.....	1,181 54
Trusts—Fisk Legacy.....	8,562 74	Net income of state prison.....	867 22
" Kimball.....	6,75 49		
Surplus revenue—principal.....	1,008 44		
" " interest.....	1,238 55	Deficiency being indebtedness	\$77,082 89
School fund.....	25,000 00	June 1, 1869. ....	3,136,879 33
Total.....	\$3,213,962 22	Total.....	\$3,213,962 22

The liabilities, less assets, June 1, 1868, were \$3,487,411 97, and June 1, 1869, \$3,136,879 33, showing a reduction of liabilities in the year of \$350,532 64.

In New Hampshire the township system is carried out to its full extent and there appears to be very little cohesion of the one with the other, the counties being merely so many court divisions. The towns, indeed, are so many little republics, managing their own affairs and disbursing their own revenues. It thus happens that if desirous of acquiring a knowledge of the exact measure of their burdens and abilities we must canvass the affairs of each town within itself, and so the returns of each are published separately by the State Treasury Department. It is impossible, however, to transfer these, from 230 towns, to the CHRONICLE, and hence we cluster them in counties, naming the number of towns included in each, the amount of their debts and assets, the highest and lowest rate of taxation in the towns of the counties named, and the highest and lowest tax on each poll therein. The following is the county summary:

Counties.	No. of towns.	Total debt.	Available assets	Tax p. \$100.		Tax p. poll.	
				H.	L.	H.	L.
Rockingham.....	38	\$1,328,901 54	\$179,515 36	\$5 00	\$1 33	\$7 20	\$2 00
St. afford.....	13	657,39 86	44,247 50	3 80	1 40	4 88	2 05
Belknap.....	10	495,880 98	45,950 12	2 53	1 91	3 78	1 91
Carroll.....	17	442,060 09	50,067 07	4 77	2 08	5 55	3 12
Merimack.....	26	1,220,291 03	129,285 26	2 83	1 01	4 24	1 95
Hillsborough.....	30	1,3, 8,575 54	146,649 58	2 45	1 43	3 68	2 14
Cheshire.....	22	536,964 14	41,799 18	3 10 $\frac{1}{2}$	1 25	4 66	1 88
Sullivan.....	15	458,128 40	44,226 85	2 14	1 25	3 22	1 87 $\frac{1}{2}$
Grafton.....	38	1,043,380 41	154,010 24	5 28	1 20	7 91	1 93
Coos.....	21	308,14 36	59,163 43	4 60	1 84	6 90	1 76
Total.....	20	\$7,714,446 34	\$895,084 54	\$5 28	\$1 01	\$7 91	\$1 76

\* Divided to the several towns of the State.

The highest taxed town in the State is Thornton, in Grafton County, and the next highest, Gosport, in Rockingham County; and the lowest taxed town is Cambridge, in Coos County. The net reduction in town debts during the years 1868-69 was \$7,622 04, the increase having been \$151,764 06, and the decrease \$229,386 10. Almost the whole of these debts have been incurred for permanent improvements, which have tended to the rapid development of industry and wealth in the State.

### CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD.

The Rock Island Road formed a junction with the Union Pacific Railroad on the 11th day of May, and on the 7th of June, 1869, a second line between Chicago and the Missouri River was opened to travel and transportation. This is another great triumph of national enterprise, and an assurance of a prosperous future to our vast territories beyond the Missouri. The extension has added 140 miles to the company's lines, which at the present date consist of the following divisions and branches :

	Miles.
Chicago, Ill., to Rock Island, Ill. ....	182
Rock Island bridge over the Mississippi.....	2
Davenport, Iowa, to the Missouri River.....	310
Length from Chicago to the Missouri River.....	494
Wilton, Iowa, to Washington, Iowa .....	60
Total length of line owned by the company.....	544

To this must be added the Peoria and Bureau Valley Railroad (leased), extending from Bureau Junction (114 miles west of Chicago) to Peoria, 46 miles—making a total length of 590 miles of road under a single management. During the year the cost of new construction and equipment has been \$5,192,609 03, exclusive of improvements and renewals on the old lines. Further sums will be required for ballasting, perfecting and equipping the recent extension. The company will also expend during the current year nearly \$800,000 in improvements in Chicago.

In the following tables we compare the company's operations in 1868-69 with the same in 1867-68 :

#### LOCOMOTIVES AND CARS.

Statement giving the number of locomotives and cars owned by the company April 1, 1867, and at the close of the fiscal years ending March 31, 1868 and 1869 :

	1867.	1868.	1869.	Inc.	Dec.
Locomotives.					
Wood burning.....	35	37	24	..	11
Coal burning .....	57	58	83	26	..
Both classes.....	92	95	107	15	..
Coaches.....	48	48	49	3	..
Saggage, mail and express.....	20	22	23	3	..
Stock.....	202	210	287	85	..
Cars .....	1,109	1,335	1,534	425	..
Box.....	468	491	659	141	..
Flat.....	3	3	3	3	..
Drovers.....	1	1	1	..	..
Pay.....	1,816	2,080	2,556	710	..
All kinds.....					

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The comparative results of operations in the fiscal years 1867-68 and 1868-69 are shown in the following tables:

## MILES RUN BY ENGINES HAULING TRAINS.

	1867-68.	1868-69.	Increase.	Decrease.
Passenger engines.....	575,213	607,649	32,436	.....
Freight engines.....	1,150,489	1,692,009	542,320	.....
Wood and gravel engines.....	171,235	214,615	43,380	.....
Total by all engines.....	1,866,937	2,515,073	618,136	.....
Cost per mile run.....	83.04 cts.	26.94 cts.	.....	5.70 cts.

## PASSENGER TRAFFIC—ITS DIRECTION AND AMOUNT.

	1867-68.	1868-69.	Increase.	Decrease.
Passengers, through.....	52,833	59,793	6,965	.....
" way.....	507,471	507,797	30,326	.....
" East.....	271,263	206,991	-33,178	.....
" West.....	230,051	321,274	81,153	.....
Passengers of all kinds.....	560,304	627,595	67,291	.....
Passengers one mile.....	28,185,470	81,339,650	53,154,180	.....
Average rate per mile.....	4.19 cts.	4.12 cts.	.....	0.70 cts.

## FREIGHT TRAFFIC—ITS DIRECTION AND AMOUNT.

	1867-68.	1868-69.	Increase.	Decrease.
Loaded cars, eastward.....	39,359	51,662	12,303	.....
" " westward.....	35,746	53,877	18,131	.....
" " both ways.....	75,105	105,539	30,434	.....
Freight (tons) carried.....	654,435	806,788	152,353	.....
Tons per car (average).....	8.28	7.24	.....	1.04 cts.
Tons one mile.....	87,729,193	119,974,468	32,451,943	.....
Average rate per ton per mile.....	8.35 cts.	2.98 cts.	.....	0.37 cts.

## FINANCIAL RESULTS OF OPERATIONS.

The financial results of operations for the last two years are shown in the following comparative statement:

	1867-68.	1868-69.	Increase.	Decrease.
Passenger earnings.....	\$1,181,563 67	\$1,292,644 84	\$111,041 17	.....
Freight ".....	2,934,504 15	3,575,915 66	641,411 41	.....
Mail ".....	36,743 15	34,848 48	.....	\$1,894 67
Excess ".....	128,701 11	81,384 88	.....	47,314 28
Rents, &c. ".....	64,520 63	70,315 27	5,794 64	.....
Interest on loans, &c. ".....	105,941 58	176,908 77	70,966 19	.....
Total expenses.....	\$4,451,974 29	\$5,231,979 75	\$780,005 46	.....
Operating expenses.....	2,020,192 07	2,366,679 13	\$346,487 06	.....
Earnings less expenses.....	\$2,431,782 22	\$2,865,300 62	\$433,513 40	.....

Which remainder was disposed of as follows:

Legal expenses.....	\$23,593 95	\$6,621 14	\$.....	\$16,979 81
Taxes on real estates.....	107,929 59	118,153 25	10,223 46	.....
U. S. Government tax.....	32,110 54	32,426 49	316 45	.....
Rent F. P. & B. V. R. R. ....	125,000 01	125,000 00	.....	.....
Interest on bonds.....	276,140 00	667,551 79	391,311 79	.....
Dividends including tax.....	987,821 10	1,469,968 50	512,147 40	.....
Surplus to credit.....	609,036 74	445,578 85	.....	164,507 89

Included in the operating expenses are the following renewals and repairs of rail:

Track re-laid with new iron.....	14.50m.	14.53m.	0.05m.	.....
" " re-rolled iron.....	20.00	18.00	.....	2.00m.
" " with steel.....	0.56	18.00	12.44	.....
Total renewals.....	35.60m.	45.53m.	10.05m.	.....
Rails repaired.....	28,508	21,437	.....	2,051

## GENERAL ACCOUNT—LEDGER BALANCES.

The financial condition of the Company, as of April 1, 1868 and 1869:

shown on the balance-sheets of date, is epitomized in the following statement:

	1868.	1869.	Increase.	Decrease.
Capital stock.....	\$14,000,000 00	\$14,000,000 00	\$ .....	\$ .....
C. & R. I. mortgage bonds.....	1,397,000 00	1,397,000 00	.....	.....
C. & R. I. income bonds.....	42,000 00	29,000 00	.....	13,000 00
C. R. I. & Pacific mortgage sinking fund bonds.....	6,333,000 00	7,375,000 00	542,000 00	.....
C. R. I. & Pacific RR. Co of Iowa.....	59,852 .5	49,85 .75	.....	540,000 00
Railroad Bridge C mpa y.....	100,000 00	60,000 00	.....	40,000 00
Other credit balances.....	46,263 57	7,712 73	.....	38,550 85
Balance of income account.....	1,551,665 17	1,597,344 02	445,578 85	.....
Total.....	\$24,160,781 49	\$24,515,809 49	\$355,028 00	\$ .....

Against which the following accounts are charged:

Cost of road & equipment.....	\$17,251,438 47	\$32,444,212 50	\$5,192,809 03	\$ .....
Trustee for guar. bonds.....	74,800 26	61,81 03	.....	18,420 23
S. E. & W. Committee.....	1,086 59	1,086 59	.....	.....
Trustee L. G. Division.....	17,066 87	19,084 22	2,017 35	.....
Corp. Ex. Bank, N. Y.....	1,755,365 16	.....	.....	1,755,365 16
Union Nat. bk, Chicago.....	1,500,000 00	.....	.....	1,500,000 00
Bond c'to special Res. [June 7, 1867.].....	25,563 50	18,061 87	.....	37,701 63
C. & I. & P. coup. acct.....	5,419 80	.....	.....	5,419 80
Bills receivable.....	2,721,310 00	289,870 00	.....	2,431,500 00
Cash in hands of Assistant Treasurer.....	.....	1 177,045 03	1,177,045 03	.....
Cash in hands Cashier.....	578,075 84	605,019 25	.....	73,937 59
Total.....	\$24,160,781 49	\$24,515,809 49	\$355,028 00	\$ .....

The mortgage bonds of the late Chicago and Rock Island Railroad Company (\$1,397,000) will fall due July 10, 1870. The bonds of the Railroad Bridge Company, guaranteed by the railroad company (\$400,000), will become due Jan. 1, 1870. Both these liabilities will be paid or exchanged for Sinking Fund bonds.

A contract has been entered into between the company and United States Government for the erection of a bridge between Rock Island and Davenport, with a view of changing the location across the island of Rock Island to accommodate the government works. The company's proportion of the cost will be \$600,000, of which \$300,000 will be required during the year 1869-70.

#### GENERAL REVIEW FOR TEN YEARS.

In the following table we give the cost of the road and equipment (estimating the cost of the Peoria and Bureau Valley Railroad at \$2,100,000), and the earnings, expenses and profits from operations yearly for the ten years ending March 31, 1869:

Fiscal Years	Miles of Road Open	Gross Earnings.	Operating Expenses.	Ordinary Profits or Nett Earnings.	Interest on Funded Debt.	Dividend Stock.	Taxes, &c.	Balance paid on after Lease
1859-60.....	228.4	\$1,013,934	\$622,661	\$471,273	\$97,770	\$167,597	\$120,34	.....
1860-61.....	228.4	1,164,018	789.4	455,961	97,90	.....	44,481	.....
1861-62.....	228.4	*1,054,704	*531,387	522,317	*97,740	168,090	82,866	.....
1862-63.....	228.4	1,529,141	800,987	728,154	100,133	328,239	74,726	.....
1863-64.....	228.4	2,143,875	1,010,463	1,103,413	192,690	813,438	382,112	.....
1864-65.....	228.4	3,359,340	1,467,631	1,891,709	192,583	375,04	1,056,250	.....
1865-66.....	228.4	3,154,235	1,711,454	1,442,81	101,533	631,579	331,682	.....
1866-67.....	410.0	3,571,038	1,877,839	1,706,181	296,132	820,879	316,938	.....
1867-68.....	454.0	4,451,974	2,201,12	2,431,784	576,40	937,821	600,87	.....
1868-69.....	520.0	5,331,980	2,366,679	2,855,301	637,552	1,469,968	445,579	.....

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## MARKET VALUE OF STOCK AT NEW YORK.

The course of the company's stock at the New York Stock Board monthly for the five years 1864-69 inclusive is shown in the annexed abstract from the published returns:

Months.	1864-5.	1865-6.	1866-7.	1867-8.	1868-9.
April.....	110 @134	81½@103	110 @123½	85½@93½	85 @ 97
May.....	103 @119	91 @105	90 @ 9½	86½@ 92½	93½@ 98½
June.....	110 @17½	93 @103	91 @ 95½	87½@ 95½	96½@105½
July.....	107½@114	101½@10 ½	94½@103	95½@104	103 @110½
August.....	104½@114½	1 ½ @109	102½@110	99½@103½	97½@ 12½
September.....	98 @10½	108½@113½	108½@112½	99 @10½	100½@104½
October.....	88½@ 97	105 @113½	106 @111½	91 @ 9½	101 @ 99½
November.....	99 @110	104½@109½	100 @112½	94½@ 97½	101 @109½
December.....	101½@103½	105½@108½	102 @115½	10½ @ 99½	105½@11 ½
January.....	88½@106½	9 ½ @109½	91 @104½	98½@100½	117½@11 ½
February.....	99½@ 98½	9 ½ @107	95 @109½	96 @102½	126½@ 133
March.....	85½@100	101½@118½	92½@ 98½	91½@ 98½	124½@121
Year.....	84½@184	81½@118½	90 @123½	86½@103	85 @133½

Former articles relating to this company were published in the CHRONICLE of June 23, 1866; June 22, 1867, and August 29, 1868.

## THE USURY PROSECUTIONS:

All the brokers and Wall street bankers who have been prosecuted under the Usury Law of this State have pleaded guilty and await sentence. As these are, we believe, the first prosecutions under a law passed more than thirty years ago, we hope that the court will use lenity. The extreme punishment allowed by law is three months imprisonment and a fine of one thousand dollars. The judge may remit the imprisonment and reduce the fine as he pleases. It seems to be generally believed that sentence may be held in suspense. These trials have produced a good deal of excitement in certain circles in Wall street. And the most noteworthy fact about the prosecution is that it stopped the high rates of interest, so that the mercantile community have been able ever since to obtain the usual accommodation from the banks. It is this circumstance which has caused the usury law to be regarded with more general favor than formerly in New York.

The spirit of modern legislation is adverse to attempts to govern by law the price of commodities or the rates of loans. Supply and demand are believed to be better regulators of contracts and prices than the wisest human restrictions and the best human laws. Accordingly the usury law of this State, although it was passed in 1837, has never, we believe, been put in force until now. Still it has been kept on the statute-book, and the numerous attempts to repeal it have always miscarried. These attempts, we understand, are to be repeated next winter at Albany, with what success remains to be seen. For the present the law is more popular

than it has ever been before; for to it the people ascribe in part their relief from those fierce, prolonged spasms in the money market which suspended the collections of our mercantile houses, and made it impossible for almost everybody to get in his debts. The debt-paying machinery of the country was deranged and controlled by cliques and speculators, who, to fight their own battles, succeeded in throwing into confusion the financial arrangements of this metropolis, with great consequent damage to the business of the whole country.

It has been urged, and we believe with justice, that some of the persons who have been prosecuted were mere agents and had nothing to do except as accessories with the schemes of the tight-money ring. This extenuation may properly be pleaded as a ground for inflicting a lighter punishment. But the favor has been asked for on other grounds. And it would not be easy for any judge to discriminate between the various degrees in which each of the convicted brokers is implicated.

The popular approval of these prosecutions must not be taken as evidence that any severe penalties are desired. What the people wished to accomplish was first to stop the monetary spasms and to relax the *tourniquet* with which the cliques had strangulated business and arrested the vital functions of our internal commerce. The second object was to prevent a repetition of such a conspiracy. Never before in this city has so bold, so rich, so adroit a clique been formed. It was small, compact, but as usual has failed in its chief objects, which were to break down the prices of government stocks and other securities. This depression of stocks was to be produced as a result of monetary stringency. Stocks, however, were sustained, and the clique found that its profits went to the money-lenders, many of whom fell gladly into the plan of charging high rates for money and lent themselves in various ways to the projects of the speculators. There were thus implicated in the trouble several independent parties all united in the single object of tightening the money-market. Some had the ulterior aim of putting down the price of government bonds, others of depressing the railroads, while others again had no other aim than to lend their funds at the highest possible rate of interest, regardless of the mischief and commotion they were producing by this concerted attack on the money-market. It might be a useful task to detail the methods and devices by which these adroit and skilful assaults on the money-market were made, and it would at any rate be gratifying if we could show that the profits of the campaign passed over the guilty parties, and that the chief conspirators were no more successful than they deserved to be in making gain by their manœuvres. This circumstance, however, would not be sufficient to prevent similar enterprises in the future. Accordingly, the popular desire seems to be, that if, as is probable,

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the offenders who have just been prosecuted and await the sentence of the law could be let off with a slight punishment by the court, there should be a distinct understanding that in future the law will be put in force if another combination or conspiracy to produce a financial spasm should render it needful.

Such, we believe, is the public desire, and if the usury law should thus be rendered more stringent and should become a more prominent part of our State legislation, the cliques have the satisfaction of knowing that it is the work of their own hands and the fruit of their own devices.

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#### THE TEHUANTEPEC ROUTE.\*

The proposed railroad across the Isthmus of Tehuantepec, the construction of which has already been undertaken by a company of American capitalists, is an enterprise of the greatest importance to the commercial interests of the country. For several years the preparations for this work have been quietly progressing, under the direction of some of our leading capitalists, and everything is now ready for the immediate construction of railroad, carriage road, and telegraphic communication from ocean to ocean, across the Isthmus ; Mr. Marshall O. Roberts, of this city, having, as we are informed, signed the company's bond, as surety, in the penalty of \$100,000, in gold, for the construction, within eighteen months, of a carriage road and telegraph line along the entire line of the proposed railway, to assist in building the latter. We are also informed that the road itself is to be begun within two years, and completed within five ; the work to progress at the rate of fifteen leagues, or one third of its entire length, each year. From the elaborate and elegant octavo volume of 209 pages, prepared under the able direction of Mr. Simon Stevens, President of the Company, we learn many facts regarding the Isthmus of Tehuantepec, as well as of the proposed railroad and its advantages, that are of great importance and interest. The volume, indeed, is wholly without a rival in the literature of the great material enterprises which characterize the present century ; presenting not only the resources and prospects of the company, and the results to be accomplished by the successful completion of the work they have undertaken, but a fund of useful and valuable information for the general reader as well, which would insure for it a careful perusal by the intelligent reading public throughout the country. The following summary of the contents of this comprehensive volume will doubtless be found of much interest by many who cannot readily obtain it.

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\* *The Tehuantepec Railway: Its Location, Features and Advantages*, under the La Sere Grant of 1863. D. Appleton & Co.

The history of the present enterprise is briefly told, although a glance at history will show that the project of opening inter-oceanic communication across the Isthmus of Tehuantepec was first proposed by the daring adventurer, Hernando Cortez, as early as 1529. It was not until more than three centuries later, however, that the Mexican Government, on the 7th of October, 1867, made a concession for seventy years, to a company organized by Don Emilio La Sere, of the right to open inter-oceanic communication across the Isthmus of Tehuantepec by railroad, carriage-road and telegraph. This concession also grants large tracts of valuable lands to the company which, together with the proposed road, is declared free from taxation or imposts of any kind by the Mexican Government, except the payment of twelve cents for each through passenger, and eight per cent of the net profits whenever dividends to stockholders shall be declared. This grant was confirmed by the Congress of the Mexican Republic, with a few modifications, on the 29th of December, 1868, approved by the President, January 2, 1869, and duly officially published. Pursuant to said grant, Don Emilio La Sere formed the Tehuantepec Railway Company, composed wholly of citizens of the United States; and this company, in November, 1868, obtained a charter from the State of Vermont, incorporating it with a capital of \$18,000,000, divided into shares of \$100 each. The Company has received from La Sere the assignment of the grant, as intended by the Government of Mexico, and entered into a bond to that Government, in the sum of one hundred thousand dollars, for the construction of the road in compliance with the terms of the grant.

In connection with the proposed railroad, the enterprise contemplates the establishment of such lines of steam and sailing vessels as may be found necessary to meet the demands of international commercial intercourse. On the Atlantic side of the Isthmus the road will begin at Minatitlan, a town situated on the Goatzacoalcos River, twenty miles from the Gulf of Mexico. This point is at all times and seasons accessible to sea-going steamers, and, with the improvements to be made and the light-houses to be built, there will be no difficulties to be encountered by vessels entering the river. From Minatitlan the line takes a direction almost due south to the Pacific ocean, which it reaches at the port of Ventosa, distant 162 miles from the northern terminus. The bay at the mouth of the Tehuantepec River was for a long time regarded as the most convenient terminus; but subsequent investigations have revealed the fact that even a better harbor can be obtained at Salina Cruz, about three miles westward. From the interior, the approach to the shore is easy, and the topographical features such as to make the site suitable for the erection of all necessary buildings, or even the growth of a new city.

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The anchorage is excellent : the shore being so bold that from 18 to 28 feet of water can be obtained at a very short distance. Nature has done much to prepare the way for the construction of the necessary improvements, which can be erected at a very reasonable cost.

Unlike the deadly and pestilential swamps of Panama, the country along the line of the proposed road includes some of the loveliest valleys, the most fertile stretches of high table land and luxuriantly productive "bottoms" to be found on the American Continent. It is, to the very highest degree, available for agricultural purposes, and abounds in gold and silver "placer" diggings, and petroleum springs. The land granted to the Company comprises a belt twelve miles in width extending along the entire length of the road ; in conceding which the Government of Mexico has not only given a magnificent proof of its enlightened interest in this enterprise, but has endowed the corporation with a property which needs only to be truthfully described to add materially to their financial position ; for each alternate *league* of the public lands on either side of the road, or on a strip of territory two leagues in width, is permanently conveyed to the corporation, in fee simple. As the road is to be, in round numbers, fifty leagues in length, a rough calculation reveals the fact that a landed estate of great value has been added to the other productive resources of the Tehuantepec enterprise. The lands abound in India-rubber and mahogany trees, dyewoods of the most valuable kinds, medicinal plants of great commercial value, native hemp or *iztle* in unlimited quantities, cocoa, cochineal, sarsaparilla and numberless other plants indigenous to the country. The soil and climate are admirably adapted to the successful cultivation of coffee, indigo, tobacco, rice, pepper and maize. The coffee of this region is only second in quality to Java. The forests may be made to yield unbounded supplies of tar, pitch, turpentine and rosin. All tropical fruits, such as oranges, lemons, pineapples, bananas, etc., are abundant ; and even the most careless and inefficient cultivation stimulates them to a most luxuriant production. So that, whether as primeval wilderness or as cleared and cultivated land, the domain of the Tehuantepec Railway Company may be made immediately productive, and a local tariff built up in all respects sufficient to warrant the construction of a much more expensive line. And this is certainly a most important feature in the prospects of any enterprise, as affording a basis for safe operations, which is not always obtained even in more densely populated regions. It is with a view to the development of the rare richness of this favored province, quite as much for the inter-oceanic transit, that the Mexican Government has made so munificent a donation ; and it is but right to add that the great landed proprietors, whose estates lie in the neighborhood, seem to be equally alive with the government to the

important benefits which are to accrue to them from the construction of the road, and manifest a disposition to extend the utmost liberality to its managers. The importance of this fact will be appreciated when it is considered how largely these men, who are in their way very much like feudal lords, can influence the supply of labor and assist in providing the many requirements of the employes of the Company. In speaking of the immediate resources of the Tehuantepec region, the mines may be for the present left out of the account, though no doubt exists of the auriferous wealth of this portion of the Isthmus; but mention may be made of the fact that unsurpassed facilities exist for the manufacture of salt and lime—the former of which already engages the attention of a portion of the present inhabitants.

Although lying within the limits of the equatorial belt, the climate of the Isthmus is agreeable and salubrious. The country is well drained and dry, with an abundance of swift flowing streams, and, being for the most part an elevated plateau or table land, is traversed by constant winds sweeping from ocean to ocean. It is said that the surveying expeditions of this and other enterprises on this line, though very much exposed and compelled to sleep for the most part in the open air, reported fewer cases of sickness than would have been deemed inevitable in any similar circumstances in any of the States of this country. It will therefore be seen that the climate of this portion of the Isthmus presents no obstacles in the way of the enterprise, while it exhibits many advantages over that of Panama.

There are but few natural obstacles in the way of constructing the proposed road. The "mountainous region" occupies a strip of territory with an averaged width of about forty miles, in the centre of the Isthmus, and may be said to extend from the Jaltepec river, on the north, to within twenty-five miles of the Pacific coast. Here, in the elevated ridges and spurs of the Cordilleras, are the only important obstacles to railway construction; but the continuity of the mountain chain is very nearly broken by a pass which lies nearly in the line of shortest communication between the two oceans. It is as if nature had providentially cared for such an exigency as the present proposed route; for the depression is so marked that the highest grade to the mile at any part of the line is but little more than sixty feet. On the Pacific side the gap or opening is narrow, and the descent quite rapid, to a series of table lands, which incline slowly to the coast at about fifteen or twenty feet to the mile. The surface is remarkably smooth and even, and their gentle slope is admirably adapted to railroad purposes. The amount of tunneling which will be required, even in the mountain region, is comparatively small, and none of the rivers present unusual difficulties in the way of bridging. The summit of the road will

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be only 793 feet above the level of high tide, and the severest grade will be sixty feet to the mile, and this but for some twelve or fifteen miles, while for the rest of the distance the average grade will be less than twenty-five feet to the mile. The gauge adopted is four feet eight and a half inches, that having been found by experience to be the most economical in working as well as in first cost. The preliminary carriage-road will have the same general location as the railroad, but will follow a slightly different course, making its total length 200 miles. It is to have a carriage-way fifteen feet wide, and the timber on each side is to be cleared to the width of fifty feet. Ten substantial truss bridges will be required for it, beside a number of smaller bridges and culverts. The cost of the road will be about nine millions, according to the estimates of the engineers in the employ of the company. It will require \$160,000 for the carriage-road; the grading, bridging and preparation of the road bed for the railroad will take \$6,000,000; the superstructure, \$1,500,000; the equipment, \$400,000; and the other expenses—engineering, surveying station houses and similar things—a little less than \$1,000,000, making the total amount of capital necessary to be raised \$8,900,000, or about \$55,000 per mile for the 162 miles.

Of the advantages of the work when completed it is almost impossible to speak in brief. A glance at the map of Mexico will show that the geographical position of Tehuantepec will secure to the new route the entire west coast freightage, including the almost entirely, as yet, undeveloped commerce of the rich provinces of Western Mexico, and that of part of East California, Arizona, New Mexico, Nevada, etc., which cannot be transported overland to the Atlantic shores, but will find its future way to the sea through the Colorado river and the Gulf of California; as well as the already established trade of California, Oregon and the extreme Northwest, which must eventually seek its passage across the Pacific on the line of the North Pacific current. This includes the Japanese and the best part of the Chinese freightage. The Australian trade and that part of the Chinese, East Indian and Island commerce which is compelled to take advantage of the South Pacific trade-winds and currents, will find little to choose between Panama and Tehuantepec, if it has a European destination; but, if consigned to any port of the United States, it cannot fail to find a marked advantage in seeking the more northerly transit, especially as the winter passages, even of the present New York and Panama line of steamers, are frequently made to the westward of the Antilles. As Mr. Stevens says in the volume before us:

"The Tehuantepec route is, of all the routes proposed from the Atlantic to the Pacific Ocean, the true American route. It is the route which is entirely commanded by our possessions on the Gulf of Mexico, and not

domineered over by any British possessions whatever. In case of a war with Great Britain, our vessels bound to Chagres would be obliged to sail almost within gunshot of the British forts at Jamaica. The Mississippi river being the great artery of the West, and the Mississippi Valley destined to be the great reservoir of the population, enterprise, and nationality of the United States, we are at all times better prepared to defend the Isthmus of Tehuantepec than any other position on this side of our continent south of New Orleans."

The project of an inter-oceanic ship canal across the Isthmus is said to form a part of the plan of the Company proposing to build the railroad and carriage-way; but in the volume before us Mr. Stevens expresses the belief that such a work will not be undertaken until the demands of our commerce renders it indispensably necessary. Such a work, it is estimated, would cost about \$325,000,000. For all present purposes, however, the railroad will serve, as its carrying capacity will be found susceptible of almost indefinite expansion. Still, looking to that far future in which a ship canal across the Isthmus may become a practicable enterprise financially, the Isthmus of Tehuantepec possesses topographical features which will certainly attract to it the investigating eyes of scientific explorers for the most available route.

Considered simply as a scheme for the improvement of the facilities of intercourse between the Atlantic and Pacific coasts, the people of the United States have the deepest interest in the completion of the railroad, and the far-sighted capitalists under whose direction the plan has matured into a purpose deserve our heartiest sympathy and most earnest good wishes for the success of their enterprise.

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#### THE PUBLIC DEBT STATEMENT.

The July schedule of the public debt, which appears elsewhere, demands very little special notice except as it shows as usual a reduction of the principal of the debt. The receipts from internal revenue have been swelled of late by the payment of the annual taxes which are very wisely made due in the summer, in order that the currency and the money market may be less perturbed by the influx of so large an aggregate of greenbacks into the Treasury. The income tax alone will amount to some 40 millions, and if the payment of so large a sum within a few days were not allotted to that period of the year when there is a great accumulation of idle currency in the financial centres, our clumsy and inelastic monetary machinery would receive a succession of jerks and

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spasms which must cause no small trouble in the money market and in the movements of business. It was on this account that the time of paying the income tax was changed a couple of years ago from September, when business is brisk and greenbacks cannot be spared, to July, when business is dull and greenbacks can be absorbed into the Treasury with less risk from the temporary depletion of the channels of the circulation. Still this year is exceptional, and in consequence of the feverish and sensitive condition to which the money market has been reduced by the spasms and unprecedented strain of the past six months, the locking up of so large an amount of currency as is usual would have been attended with peril. Accordingly the special case had to be met by a special remedy, and Mr. Boutwell hit upon the expedient of buying up the bonds of the government. In payment for these bonds he has poured out the currency from the Treasury vaults as fast as it accumulated there, and when Congress meets he will seek instructions as to what is to be done with the 40 millions or more of Five-Twenties in which the surplus revenues have been thus invested. It is perhaps premature for us to discuss now the probable action of Congress. But various opinions are held in Wall street as to what should be done, and a lively contest of opinion will doubtless be provoked. There are indeed some persons who contend that the Secretary has exceeded his legal powers in making these purchases. We apprehend however that it will not be difficult to find law for everything that has been done, and Mr. Boutwell is too shrewd and has too enlightened advisers to be caught tripping. Moreover the necessity of the case justified some exceptional treatment, and the success of Mr. Boutwell's policy is a strong ground of defence. It has been urged that the Treasury purchases of bonds have caused a speculative advance in their price. And no doubt a part of the rapid rise in the market value of government securities is due to this cause. But perhaps too much influence is attributed thereto, and before Congress meets we shall have an opportunity of testing this point by the pertinacity with which the advance is sustained.

In presence of this gratifying appreciation of our National securities which are nominally worth to-day 250 millions more than at the beginning of the year, there has been a great deal said about the reduction of the rate of interest. It has been even affirmed that some Frankfort capitalists have offered to negotiate a loan at five per cent for 300 millions of dollars. Of course this is mere sensational gossip, for at Frankfort to-day our six per cent bonds are offered at eleven or twelve per cent below par. It is therefore absurd to say that while they can buy our six per cents at 89 or less, they will give us 100 for our five per cents, or even for our four and a half per cents. Our bonds certainly bear too high a rate of interest.

We ought to be able to reduce that rate and thus to relieve ourselves of part of the pressure of the hordes of taxation. But it may well be doubted whether this reduction and this relief are to be secured by any large loan negotiated in Europe. However this may be, the question of lowering the rate of interest is assuming more and more importance, and the pressure which will be exerted in Congress for relief from internal taxation will render it a necessity that some change should be made. It will be remembered that our debt was funded in Five-Twenties with the special purpose of securing its controllability, so that at any time after the year 1867 there might be an adequate proportion of the public debt which was subject to be paid off at par. By this expedient we expected to have the option of using our surplus in paying off our debt by degrees without being required to pay a premium as we had to do when we paid off our debt more than a quarter of a century ago; and secondly we expected to take advantage of the improving credit of the country and pay off old loans with the proceeds of new loans obtained at lower rates of interest. These objects so far have not been secured. The agitation of repudiation, with other causes have been adverse to the public credit, and instead of lessening since the war we have been rapidly increasing that burden. To illustrate this point we have completed the following table showing the various rates of interest which we paid on our debt, and the proportion of the principal which stood at each rate in each year since 1860:

July or Aug.	Coin interest		Currency interest			No. interest.	Miscella- neous
	6 p. cent.	5 p. cent.	7.39 p. c.	6 p. cent.	3 p. cent.		
1860	\$21,513,092	\$33,461,000	\$.....	\$.....	\$.....	\$.....	\$19,795,611
1861	40,041,982	31,428,000	.....	.....	.....	24,550,825	22,464,702
1862	100,754,614	30,483,000	122,836,550	.....	.....	149,660,000	110,477,218
1863	256,971,263	30,483,000	139,970,500	.....	.....	407,839,145	386,549,652
1864	661,419,715	102,508,750	109,356,150	15,000,000	.....	454,073,548	398,332,326
1865	908,870,042	199,792,100	830,000,000	213,379,470	.....	474,646,601	247,304,195
1866	1,144,837,342	198,241,100	738,949,300	162,034,140	.....	443,449,047	128,335,630
1867	1,480,475,342	198,431,950	451,233,425	123,731,430	.....	417,177,534	15,636,816
1868	1,866,783,400	231,558,400	.....	53,814,890	68,000,000	410,302,891	18,099,175
1869	1,866,341,300	231,559,300	.....	58,638,320	66,120,000	418,608,501	5,071,884

Included in the above currency six per cents are railroad bonds, and in the "no interest" column gold certificates to the following amounts. Under the head miscellaneous we have grouped together treasury notes, temporary loans and over due securities.

	R. R. Bonds.	Gold Certificates.
1864	.....	.....
1865	.....	1,258,000
1866	.....	6,042,000
1867	.....	15,402,000
1868	.....	32,210,000
1869	.....	58,638,320

The chief object of this table is to show that, so far as regards the pressure of the interest, we have had no relief since the war, no change from a higher to a lower rate of interest. It is true our bonds have

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risen in market value. Five-twenties are now worth in Frankfort or in London twice as much as the quoted rates of the period of greatest depression during the war. But the whole of the gain arising out of this improved credit has gone into the pockets of the speculators, the bankers and their customers; while very little, if any, of the gain has accrued to the National Treasury or has been available for the lowering of taxation and the relief of the burdens of the people. In the pressure of hard times and heavy taxes, it is the contemplation of such facts as these which has produced the outcry for a lower rate of interest on the debt—a demand which, in some way or other, will have to be satisfied.

#### RAILROAD ITEMS.

**CHICAGO, BURLINGTON AND QUINCY RAILROAD.**—The Annual Report for the year ending April 30, 1869, shows the following:

The gross earnings of the railroad for the year have been as follows:

From Passengers.....	\$1,659,308 61
Freight .....	4,758,864 29
Miscellaneous.....	394,686 28
Interest and exchange.....	\$6,812,809 18

Total ..... \$6,846,525 26

The operating expenses of all kinds, including taxes, both State and National, and rent of tracks, and cost of transfers have been..... \$3,668,623 14

Leaving applicable for interest and dividends during the year ..... \$3,177,908 22  
The balance to credit of income account at the close of last year was ..... 491,963 80

Total ..... \$3,669,872 02

There have been paid during the year—

Interest on bonds.....	\$369,547 44
Dividend No. 16.....	627,195 00
Dividend No. 17.....	637,195 00
Stock dividend.....	1,254,390 00
Tax on dividends.....	130,092 25
152 bonds for sinking fund.....	161,200 00

\$3,169,619 79

Leaving a balance to credit of income account at the close of the year of ..... 500,252 23  
Exclusive of amount paid into sinking fund, which at this time is ..... 1,086,761 13

If the amount unpaid into this fund be a proper credit to income account, that account stands at..... \$1,537,013 36

The gross earnings of the road have been in excess of the previous year by \$658,161 98, notwithstanding the somewhat diminished rates of fare and freight.

After referring to the various improvements, and new connections made necessary by the rapid progress of railroads and civilization in the West, the President remarks: "To provide the requisite means for these purposes, they propose to distribute stock among the stockholders, at its par value, to the extent of twenty per cent of the capital stock of the company, as being at once the easiest and, to them, most agreeable mode of raising the money."

The treasurer's report shows the following:

#### GENERAL ACCOUNT—DEBIT.

Capital stock.....	\$18,825,025 00
Funded debt.....	4,794,250 00
Due on mortgage of Northern Cross Railroad.....	270,000 00
Operating accounts unpaid.....	316,688 76
Due Chairman of Board for advances.....	1,226,207 18
Sinking fund.....	1,086,761 13
Balance to credit of income account.....	500,252 23

\$21,999,134 30

	CREDIT.	
Cost of construction before May, 1868.....	\$14,507,344 47	
Cost of equipment before May, 1868.....	3,205,407 62	
Due on Northern Cross Railroad.....	270,000 00	
Cost of new construction during the year.....	1,237,705 60	
Cost of equipment during the year.....	644,811 72	
Material on hand for future operations.....	490,928 07	
Pullman Palace Car Company stock.....	66,200 00	
Steam Ferry, President and other boats.....	41,074 01	
Burlington depot, ground and accretions.....	315,946 42	
Chicago teams for transferring freight.....	4,500 00	
Monthly traffic accounts and bills receivable.....	257,408 43	
Post Office Apartment.....	8,935 40	
Burlington and Missouri River Railroad pref. stock, 7 instal'm's.....	412,737 64	
Keokuk & St. Paul Railroad Company.....	\$500,401 68	
Less amount received on bonds.....	413,781 06	
		86,620 62
American Central Railroad construction account.....	\$926,032 99	
Interest on bonds.....	11,833 79	
Less received on sale of bonds.....	\$937,866 68	
		639,158 13
Due from agents and connecting roads.....	298,708 55	
Deposits in New York and treasury .....	115,983 97	
		31,831 73
Total.....		\$21,999,134 30

## SINKING FUND.

The sinking fund has now \$77,000 Chicago and Aurora 2d mortgage bonds; \$628,000 Chicago, Burlington & Quincy inconvertible 8 per cent bonds; \$11,000 Chicago Burlington & Quincy convertible 8 per cent bonds; \$151,000 Chicago, Burlington & Quincy trust mortgage 7 per cent bonds, and \$129,000 Chicago, Burlington & Quincy trust mortgage 8 per cent bonds; a total of \$991,000, purchased at a cost of \$1,085,761 18.

**EXPORTS OF IRON RAILS FROM GREAT BRITAIN.**—Messrs. S. W. Hopkins & Co., Railroad Iron and Steel Rail Merchants, Nos. 69 and 71 Broadway, N. Y., and 58 Old Broad street, London, furnish the following official statement of the export of iron rails from Great Britain:

## FIVE MONTHS ENDING MAY 31ST:

	1867.	1868.	1869.
	Tons.	Tons.	Tons.
<b>AMERICA.</b>			
United States .....	87,299	112,608	111,634
British .....	2,813	5,616	12,992
Cuba .....	937	1,672	319
Brazil .....	773	1,320	518
Chili .....	2,640	404	1,570
Peru .....	163	770	9,306
<b>EUROPE.</b>			
Russia .....	17,863	12,280	52,114
Sweden .....	350	413	2,890
Prussia .....	4,311	3,611	2,738
Illyria, Croatia and Dalmatia .....	...	3,8 0	12,975
France .....	58	44	2,770
Holland .....	6,196	14,664	4,880
Spain and Canaries .....	4,328	8,777	5,673
<b>ASIA.</b>			
British India .....	45,151	42,818	30,132
Australia .....	6,827	4,688	9,901
<b>AFRICA.</b>			
Egypt .....	8,541	10,512	3,711
Other countries .....	11,037	14,342	25,492
Total.....	199,387	233,769	320,475

—The following is a statement of the amount of interest due Virginia by the various railroad corporations:

Orange & Alexandria.....	\$17,500 00
Richmond & Danville.....	42,000 00
Virginia Central.....	65,500 00
South-side .....	252,000 00
Virginia & Tennessee.....	420,000 00
Norfolk & Petersburg.....	45,855 13
Total.....	\$843,855 13

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**CANADIAN RAILWAY RETURNS.**—The earnings of the railways of Canada for the month of May, 1868 and 1869, were as follows:

	1869.	1868.
Great Western.....	\$294,658	\$280,992
Grand Trunk.....	756,917	646,584
London and Port Stanley.....	3,371	3,642
Welland.....	9,201	10,702
Northern.....	81,906	74,671
Brockville and Ottawa.....	19,344	16,556
St. Lawrence and Ottawa.....	14,688	10,263
St. Lawrence and Industry.....	989	1,027
New Brunswick and Canada.....	12,334	11,273
European and North American.....	17,190	14,746

—The annual statement of the Michigan Central Railroad for the year ending May 31, 1869, shows the following results:

	EARNINGS.
From passengers.....	\$1,795,806 11
From freight.....	2,755, 00 48
From miscellaneous.....	155,286 80
	<hr/> \$4,716,292 39
The ordinary expenses of operating, including local taxation and taxes on dividend, have been.....	\$2,698,278 72
Paid in a sinking fund.....	84,500 00
	<hr/> 2,052,773 72
Leaving for interest and dividends.....	1,683,514 00
Interest and exchange paid.....	646,170 63
	<hr/> \$1,017,343 54

Leaving, above all expenses, net.....

The proper net earnings above those of the last year have been \$115,235, and the excess of gross earnings, \$245,000. The amount of the sinking fund from the current earnings is now \$1,51,599 35. There is outstanding no floating debt.	
The funded debt now stands at.....	\$5 153,488 89
Less amount paid into sinking fund.....	<hr/> 1,351,599 35
Leaving the net bonded debt at.....	\$3,801,889 54
The capital stock amounts to.....	<hr/> 11,197,343 00
	<hr/> \$14,993,237 54

The bond debt has been decreased during the year by conversion of bonds into stock by the amount of \$1,815,500, and the stock of the Company has been correspondingly increased, and has also been further enlarged by a stock dividend during the year of ten per cent, amounting to \$904,400.

—The Burlington *Hawkeye* gives as follows the gross earnings of railroads of Iowa for the year 1868, as gathered from books in the State Treasurer's office:

Railroads.	Gross Earnings.
Chicago & Northwestern.....	\$2,371,682 23
Dubuque & Sioux City.....	970,696 25
Dubuque & Southwestern.....	172,417 02
Cedar Falls & Minnesota.....	65,465 57
Sioux City & Pacific.....	1 7,000 02
Des Moines Valley.....	710,240 94
Chicago Rock Island & Pacific.....	1,51,828 81
Burlington & Missouri.....	841,658 24
Council Bluffs & St. Jo.....	153,854 93
McGregor Gr. at Western.....	498,2 0 03
Keokuk & St. Paul.....	71,846 11
*Dunn & Dubuque Bridge Co.....	2,7 8 24
+Dubuque Street Railroad.....	<hr/> 10,7 8 23
Total .....	\$8,103,197 56

**RAILROADS IN GEORGIA.**—Railroad enterprise is active in Georgia. The road from Milledgeville to Macon, completing the Augusta and Macon Railroad, will be built immediately. Arrangements have also been made to build the road from Augusta to Port Royal S. C. The Georgia Railroad Company have agreed to indorse the

\* In operation but a few days

† In operation but a portion of the year.

bonds of the road. The survey of the long-talked of Northeastern Railroad, from Athens to Clayton, in Rayburn county, connecting with the Tennessee roads, and making a continuous railroad from Augusta to Knoxville, has been ordered by the Georgia Railroad. The Macon and Brunswick Railroad will be soon completed, and the extension of the Southwestern Railroad to the Florida line is also under way. The feud between the Augusta and Columbia and the South Carolina Railroad has been settled, and the trains of both companies now come and go between Columbia, Charleston and Augusta.

Negotiations have been in progress for some time for the purchase of the Southwestern Railroad and branches by the Central Railroad and Banking Company of Georgia. The Savannah *Republican* says that the bargain and transfer have been perfected, the entire interests of the Southwestern road having passed into the possession of the Central Company on the 24th ult.

The Frederick and Pennsylvania line Railroad Company has issued \$20,000 worth of coupon corporation bonds in sums of \$200 \$500 and \$1000, bearing interest at the rate of 6 per cent per annum in currency, payable on the 1st of June and December. The company has endorsed these bonds with a gold bearing interest—or its equivalent—of 6 per cent, and they are exempt from corporation and county tax.

**RAILROADS IN MINNESOTA.**—A letter in the Chicago *Tribune* gives some interesting information about railroads in Minnesota. At the present time nearly four thousand laborers are at work on the railroads in that State. One thousand men have just been taken by propeller from the lower lakes and transferred to the railroad now building from the head of Lake Superior to the Mississippi River at St. Paul.

On the St. Paul and Pacific Railroad, ninety miles west of Minneapolis are under contract. The laborers come from Sweden and Germany. Agents of the Company have circulated in those countries of Europe descriptions of the choice lands in the Big Woods and the Kandiyohi prairies beyond that belt of forest; by similar personal influence, parties of emigrants have been billeted from their native villages to the particular fraction of land destined to be a Minnesota homestead; and the protection of the Company is not withdrawn for a moment of the long journey. Even after arrival in Minnesota the Company's buildings are arranged for their temporary occupation, while more permanent shelter is provided in the immediate section of the road under construction and of the lands to be occupied.

They expect in Iowa that every tier of country East and West will have its line of rail. Minnesota begins to show the same sort of Enterprise. There are railroads in the two lower tiers of counties; another in the fourth tier, and another in the fifth. The North Pacific and St. Cloud and Pembina Railroads will open other and large portions of the State, and of the region beyond. Of the lines in progress or projected, one is from St. Paul via Sioux City to the Union Pacific Railroad, west of Omaha. As to the North Pacific Road, the correspondent suggests that an eligible route would be on latitude 45 degrees, crossing the Missouri River near the northern boundary of the Sherman-Harney Sioux Reservation, crossing the Yellowstone at the mouth of the Big Horn, and thence west near Helena, in Montana, and through the Hell Gate Pass to the Rocky Mountains to the channel of the Columbia River.

**"JOINT COMPANIES" OF NEW JERSEY.**—With the view to procure funds for the improvement of the canal and railroads of the united companies, the stockholders of the New Jersey Railroad and Transportation Company, the Delaware and Raritan Canal Company, the Camden and Amboy Railroad and Transportation Company, and the Philadelphia and Trenton Railroad Company, are entitled to subscribe at par for 15 per cent of the amount of stock which shall stand in their names on the books of the said companies, collectively, on the 1<sup>st</sup> day of July next, at the commencement of the day; the stock thus subscribed for to be stock of the said three first-named companies, and to be contributed by them in proportion to the present amount of capital stock of each company; and each stockholder entitled to a fractional part of a share shall be allowed to subscribe therefor a full share; but no fractional subscription received. The subscriptions will close August 10th. Every stockholder

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holding less than seven shares will be entitled to subscribe for one share. The installments on account of the new stock shall be paid in cash, in two instalments of 50 per cent each, as follows: First—Fifty dollars a share at the time of subscription—between the 22d day of July and the 10th day of August, 1869. Second—Fifty dollars a share between the 22d day of January and the 10th day of February, 1870. Stockholders failing to subscribe within the time mentioned, or neglecting to pay the instalments when due, will forfeit their right to the new stock.

**RUTLAND RAILROAD.**—The decision of the Court at Vergennes, Vt., on the petition of the Rutland Railroad Company for possession of the road, which was opposed by some of the first mortgage bondholders of the old Rutland and Burlington, leaves the matter as before the petition was made, the property being still in the hands of the trustees of the second mortgage bonds. Nearly all the second mortgage bonds have been converted into common stock of the Rutland company, and over \$1,000,000 of the \$1,800,000 first mortgage bonds have been converted into preferred stock. The Rutland road ask for possession, as they hold that they can manage more profitable than the trustees, by increasing the rolling stock and doing more business. This has been denied them, and the case remains in the lawyers' hands, and may be there for years to come. In most cases of contention for rights claimed equitable compromise is judicious, and we do not believe this an exceptional one. Even if the first mortgage bondholders could eventually, years hence perhaps, obtain every dollar of principal and all back interest, a fair settlement now would undoubtedly result more to their benefit than a long legal controversy, with its attendant costs and trouble. The experience of other roads would certainly confirm this view of the matter.—*Boston Journal.*

**THE SUBSTITUTION OF TEN-FORTIES FOR FIVE-TWENTIES AS NATIONAL BANK SECURITIES.**—The following letter has been addressed by the Secretary of the Treasury to the Comptroller of Currency, July 23:

Referring to my letter of May 14th ult., I have decided to permit the substitution of ten forties for five twenties or the exchange of any gold-bearing bonds now held as security for circulating notes on the basis hitherto adopted; the ten-forties to be received at eighty five per cent of their par value, and all other six per cent gold-bearing bonds at ninety per cent. The six per cent currency bonds issued by the United States to the Pacific Railroad will not be received as security for the circulation of National banks; and the exchange of gold-bearing bonds is subject hereafter to revision if it shall be found that such exchanges are so frequent as to become onerous to the department.

GEORGE S. BOUTWELL,  
Secretary of the Treasury.

The Comptroller of the Currency has given notice accordingly.

**PACIFIC RAILROAD FREIGHTS.**—Under the tariff for through freights by rail to the Pacific a car load weighing 18,000 pounds is transported from Chicago to Sacramento for \$900. This is a charge of just \$5 per hundred for transportation a distance of 2,266 miles. The division of rates per car load gives the road to Omaha, 490 miles, \$110; the Union Pacific to Promontory, 1,085 miles, \$385; and the Central Pacific, from Promontory to Sacramento, \$405. So the Northwestern or the Rock Island receives about \$22 45 per car load per hundred miles, the Union Pacific \$35 50, and the Central Pacific \$58 70 per car load per hundred miles. The distance from Chicago to New York is just about two-fifths of the distance from Chicago to Sacramento.

**COLORADO R. R. ITEMS.**—The *Denver News* says that "a very large proportion of the goods now arriving at Denver come by the Kansas Pacific Road. Large invoices of groceries are coming in from Chicago by that route, all included under a single rate of freight, and without classification. The tariff is astonishingly low. Now let St. Louis compete with Chicago in her selling prices."

**OIL CREEK AND ALLEGHANY RIVER RAILROAD COMPANY.**—This Company gives notice that the Commissioners of its Sinking Fund will purchase for investment, on and after August 2d, from the several stockholders at par, five per cent of the capital of the stock as it may stand on the books of the Company on the 1st of July, 1869. Those who elect to sell that amount of their stock at par for cash, must notify the Commissioners of the fact, and present their certificates before the 20th of July. The transfer books of the Company are to be removed to Pittsburg after the 1st proximo.

—The Detroit *Tribune* comments as follows on the vote in that city against aid to railroads: "As we intimated would probably be the case, the proposition to loan the credit of the city to certain railroad companies was defeated yesterday by a large majority. The majority against the Detroit & Hilldale road was 3,874, the largest, and against the Detroit & Howell Road 2,208, the smallest. The total vote was not far from 6,000. The vote of the city last fall was about 12,000, showing that the vote yesterday was about half the full vote. Little interest was taken in the election. But the adverse majority is decisive enough to show that, as matters now stand, Detroit will not help build railroads. As our readers are aware, we desired a different result, and labored for it. We think the result, as it now stands, will be unfavorable to our city. The most potent agency against voting aid was the existing railroad corporations, which organized the opposition, and from their employes furnished a considerable share of the majority aganst it."

—The Portland, Saco and Portsmouth Railroad's stockholders at their meeting lately discussed the contract between this road and the Boston and Maine and Eastern railroads. The latter were thereby bound to pay their rent in gold and silver coin, but have for six years availed themselves of the Legal Tender act to pay in greenbacks. The lessors think that under a recent decision of the United States Supreme Court, they have a right to recover back rent according to the contract's terms, which would amount to \$194,658 in gold, or \$323,600 in currency. The directors were accordingly instructed to take action to recover for the past and enforce for the future according to those terms.

The N. Y. *Tribune* gives the following items:

—The Raritan and Delaware Bay Railroad will be sold on the 4th, of September at the Manchester Depot, under a writ of fieri facias issued by the Court of Chancery at the suit of Charles J. Hendrickson and Stewart Brown, complainants, who are holders of mortgages. The entire property of the Company, including the steamer Jesse Hoyt, will be sold, and the branch road from Manchester to Tom's River will be disposed of, subject to the payment of the principal of certain bonds secured by mortgage given to James W. Alexander Trustee.

—The line of the Rockford, Rock Island and St. Louis Railroad is now located as far as Rhoad's Point, in Macoupin county. From that place different routes have been surveyed, with St. Louis as the objective point. One route proposed lies through Miles' Station, thence to the Terra Haute Road; another through Shipman; another through Brighton to Bethalto; another through Brighton and Fosterburg to the Junction; and lastly, one through Upper Alton to the Junction.

—A bill has passed the Senate of Florida in aid of the railroads in that State. It is proposed to issue bonds to the amount of \$14,000 a mile, to aid in extending the Pensacola and Georgia road to Mobile, all the bonds to be issued at the same time. The second proposition is for the State to endorse to the extent of \$14,000 a mile the bonds of any company undertaking to build a road from Gainesville to Tampa. The indorsed bonds to be issued as sections of five miles are completed.

A meeting was held at Leavenworth on July 14th to organize the Leavenworth and Gulf Railroad. The people of the counties interested in the road are in earnest, and the work will be speedily undertaken and accomplished. Many leading capitalists are among the incorporators, and the scheme is one that will command the co-operation and support of the people of a large and important section of country.

The net profit of the Great Western Railway Company of Canada for the three months ending April 30, 1869, available for dividend (after deducting interest charges lost by exchange, &c.) is \$81,710 78, against \$79,191 45 in the corresponding period of 1868.

—The Toledo, Wabash and Western Railroad Company has adjusted, its legal difficulties, and all the suits are to be withdrawn. The company is only to issue \$1,000,000 of new stock, instead of \$1,000,000, to be divided equally among the parties, represented by Azariah Boody and Jay Gould. The road from Akron to Toledo is expected to be built within eight months, and also that from Decatur to St. Louis.

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## PUBLIC DEBT OF THE UNITED STATES.

## STATEMENT COMPARING THE RETURNS FOR JULY 1 AND AUGUST 1, 1869.

## DEBT BEARING COIN INTEREST.

<i>Character of issue.</i>	Juy 1.	Aug 1.	Increase.	Decrease
5s, Bonds of Jan 1, '69 (15 yrs) .....	\$20,000,000	\$20,000,000	\$..... 1	18.....
" " Jan. 1, '61 (10 yrs) .....	7,022,000	7,022,000	.....	.....
6s, B'ds of '61 (after Dec 31, '60) .....	18,418,000	18,415,000	.....	.....
6s, " (Oregon war) '81 .....	945,000	145,000	.....	.....
6s, " of June 30, '61 (20 yrs) .....	189,317,500	189,317,600	100	.....
6s, " May 1, '61 (5-20's) .....	514,771,600	514,771,600	.....	.....
6s, " June '63 ('81) .....	75 0 0,000	75,000,000	.....	.....
5s, " Mar. 1, '64 (10-40's) .....	194,567,300	194,567,300	.....	.....
6s, " Nov. 1, '64 (5-20's) .....	129,443,800	129,43,800	.....	.....
6s, " July 1, '65 (5-20's) .....	332,998,950	332,98,950	.....	.....
6s, " Nov. 1, '65 (5-20's) .....	203,327,350	203,3 7,250	.....	.....
6s, " July 1, '67 (5-20's) .....	379,582,850	379,583,450	600	.....
6s, " July 1, '68 (5-20's) .....	44,589,350	42,589,350	.....	.....

## DEBT BEARING LAWFUL MONEY INTEREST.

3s, Certificates (demand) .....	\$5,120,000	\$50,810,000	.....	\$1,310,000
3s, Navy Pension Fund .....	14,000,000	14,000,000	.....	.....

## DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

6s, Bonds of 1862, '67, '68 .....	\$102,000	\$95,700	.....	\$6,300
5s, Bonds (tax indem.) 1-64 .....	242,000	242,000	.....	.....
Treasury notes prior to 1857 .....	104,512	14,615	.....	897
" " since 1857 .....	379,151	368 222	.....	10,930
6s, Certificates of indebtedness .....	12,000	12,000	.....	.....
6s, Comp'd int. notes '67 & '68 .....	2,879,410	2,783,910	.....	98,500
Temporary loan .....	156,310	184,110	.....	2,800
7-30s, 3 year notes ('67 & '68) .....	1,116,500	998,500	.....	168,000

## DEBT BEARING NO INTEREST.

Demand notes .....	\$121,633	\$116,719	.....	\$4,919
U. S. Legal Tender notes .....	325,925,195	326,100,000	64,805	....
Postal & fractional currency .....	32,062,028	31,080,3 0	.....	1,081,728
Gold Certificates .....	30,459,640	36,725,840	\$6,236,200	.....

## RECAPITULATION.

Debt bearing coin interest .....	\$2,107,930,600	\$2,107,931,300	.....	\$700
" bearing lawful money int. ....	66,120,000	64,810,000	.....	\$1,310,000
" on which i. t. h. s' ceas'd .....	5,011,884	4,790,187	.....	281,827
" bearing no interest .....	418,608,501	423,872,859	5,264,358	.....
Aggregate principal debt .....	\$2,597,730,985	\$2,601,404,116	\$3,673,231	.....
Col. in arrears accrued .....	45,373,920	31,50 0 0	.....	13,523,891
Lawful money int. accrued .....	1,982,700	1,2,7,700	.....	175,000
Int. accrued on matured debt .....	690,680	660,784	.....	29,896

Aggregated debt & int. a. c. n'd .....	\$2,645,178,295	\$2,635,122,739	.....	10,055,556
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## Deduct amount in Treasury:

Coin belonging to Government .....	\$79,719,673	\$67,405,771	.....	\$13,307,902
Coin for which certificates are outstanding .....	34,489,640	36,725,840	6,236,200	.....
Currency .....	37,097,819	23,2 1,654	.....	13,716,165
Sink' fund in coin, b'ds & int .....	8,867,282	11,932,147	3,064,863	.....
Other U. S. coin in b'ds purchased & accrued interest thereon .....	.....	15,110,590	15,110,590	.....
Total coin & curr'y in Treas'y .....	\$156,168,414	\$153,556,002	.....	\$2,612,412
Debt less coin and currency .....	\$2,189,039,881	\$2,481,566,737	.....	\$17,443,144

## BONDS ISSUED TO UNION PACIFIC RAILROAD AND BRANCHES.

(Under acts of July 1, 1862, and July 2, 1864; principal payable in 30 years after date, and interest semi-annually, in January and July, both in lawful money.)

6s, Union Pacific Railroad .....	\$35,998,000	\$26,818,000	640,000	....
6s, Union Pacific (E. I.) R. R. .....	6,305,000	6,303,000	.....	.....
6s, Sioux City & Pacific R. R. .....	1,628,320	1,622,320	.....	.....
6s, Central Pacific R. R. .....	22,789,000	24,771,000	1,582,000	.....
6s, Central Branch (Kansas) .....	1,6,000	1,600,000	.....	.....
6s, Western Pacific R. R. .....	320,000	320,000	.....	.....
Total amount issued .....	\$58,638,340	\$40,880,320	\$7,223,000	....

**COMMERCIAL CHRONICLE AND REVIEW**

**Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.**

July has been marked by a more settled feeling in monetary affairs. There has been a steady reaction from the extreme stringency in money which had prevailed for some weeks previous, and at the close of the month the rate on call loans was 5@7 per cent and on prime paper 7@9 per cent. The change of tone was due almost exclusively to the release of a large amount of currency previously taken into the Treasury. According to the Debt statement, the July purchases of bonds by the government, with premium added, amounted to something over \$17,000,000, while the receipts on account of gold sales were about \$2,750,000, so that, upon these operations, the street received a balance of \$14,250,000 of currency, about the amount which had been previously lost through the preponderance of Mr. Boutwell's sales of gold over his purchases of bonds and the large receipts of the Treasury on account of internal revenue. Contrary to expectation, there has been no influx of money from either the West or the South. The latter section is evidently hoarding currency, in the absence of banks of deposit or of any means of employing its savings, and having apparently no balance of indebtedness to the North, is not compelled to send money here. The West, instead of settling its maturing obligations in currency or forwarding here its bank balances for temporary employment, has required all its funds for local business and settled its Eastern balances by especially heavy shipments of breadstuffs. We thus find ourselves at the beginning of August, close upon the period for the Western crop movements, with the currency more than usually distributed over the country, and with but little circulation at the East, the amount of legal-tenders in the New York Clearing House banks on July 31, being only \$56,100,000, against \$73,600,000 on August 1st, 1868. This condition of things suggests the probability that the Western demand on this city for currency to move the crops will be less this fall than usual, which is a consideration favoring a steady money market for the next few weeks.

The easier feeling in money has contributed to a more settled tone on the Stock Exchange. The severe experience of operators, during the spring months, has naturally produced a marked caution, with a consequent inactivity. Some of the larger speculators have, under this condition of the market, taken a lengthy vacation, and stocks have thus been very much left to take their own course. The only features of interest have been in what are known as the Vanderbilt stocks—New York Central, Hudson River and Harlem—which have been actively dealt in at a large advance, owing to the negotiations for the consolidation of the two former roads, and, as is reported, the intended declaration of a large scrip dividend upon the latter. New York Central advanced, within the month, from 189 $\frac{1}{2}$  to 217 $\frac{1}{2}$ ; Hudson River from 159 $\frac{1}{2}$  to 194, and Harlem from 142 $\frac{1}{2}$  to 168 $\frac{1}{2}$ . The market generally, however, has failed to

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respond to the special firmness on these stocks. But, although the transactions have been light, amounting to only 449,150 shares, recorded on the exchange, against 1,344,767 shares for the same month of 1868, yet there has been a steady improvement in the tone of the market, the result of growing confidence in the future course of money and of liberal earnings by the roads.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares .....	3,786	1,929	.....	1,657
Railroad .....	1,149,707	368,363	.....	781,344
Coal .....	2,280	77	.....	1,493
Mining .....	19,425	5,300	.....	14,125
Improv'n .....	14,340	1,500	.....	12,830
Telegraph .....	23,838	15,680	.....	8,153
Steamship .....	55,201	24,490	.....	31,711
Express &c .....	76,412	32,101	.....	44,311
Total—June .....	1,344,767	449,150	.....	895,617
Since January 1 .....	11,662,826	8,293,332	.....	2,369,054

The measures which have contributed to the ease of money have, at the same time, been productive of an extraordinary activity and firmness in Government securities. Mr. Boutwell has bought, on the open market, \$14,000,000 of Five-Twenty bonds \$2,000,000 being on account of the Sinking Fund and \$12,000,000 subject to the approval of Congress, the Secretary probably assuming that Congress will hereafter consent to these purchases being charged to account of the Sinking Fund, for the period antecedent to his incumbency, when the law providing for these operations was not enforced. The result of these large withdrawals of bonds from the market, and the anticipation of further large purchases by the Secretary, in August, was an advance of 6@8 per cent on all bonds except those issues chiefly held in Europe. In July there is usually a free foreign demand for the reinvestment of the July interest; this year, however, the supply on the foreign markets appears to have been adequate for that purpose and few have been exported.

#### BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds .....	\$26,264,200	\$32,930,100	\$6,685,900	\$ 182,000
U. S. notes .....	282,000	.....	.....	.....
St'e & city b'ds .....	17,860,500	6,592,000	.....	10,718,500
Company b'ds .....	1,188,500	1,134,500	.....	54,000
Total—June .....	\$45,095,200	\$40,876,600	\$ 4,818,600	.....
Since January 1 .....	210,140,3:0	214,997,59	4,851,539	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of June, as represented by the latest sale officially reported, are shown in the following statement:

#### PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	6's, 1881.			6's, (5-20 yrs.) Coupon			5's, 10-40 C'pon.	
	Comp.	Reg.	1862.	1864	1875.	new	'68.	108%
1.....	117½	.....	121½	117½	118½	.....	115½	103
2.....	117½	.....	121½	117½	118½	116½	116½	108½
3.....	117½	117½	122	117½	118½	116½	116½	108½
5.....	.....	.....	.....	.....	.....	(Holiday.)	.....	.....
6.....	117½	.....	121	117½	118½	.....	116½	108½
7.....	116½	117½	121½	117½	118	116½	116½	107½
8.....	117½	117½	12½	118	118½	116½	116½	108
9.....	118	.....	121½	118½	119½	117½	117½	108
10.....	1 8%	117½	121½	119	119½	117½	117½	108½
12.....	12½	120%	122%	121½	121½	120½	120½	110
13.....	12½	.....	123%	121½	121½	120	120½	110½
14.....	130%	.....	123%	121½	123½	120½	120½	110½

Day of month.	6's, 1881.—				6's, (5-20 yrs.) Coupon				5's, 10-4.			
	Coupo.	Reg.	1862.	1864.	1865.	new.	1867.	1868.	yrs.	C'pn.	10%	110%
15...	120%	120%	124%	121%	121%	120%	120%	120%	120%	120%	110%	110%
16...	120%	120%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
17...	120%	120%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
18...	120%	120%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
19...	120%	120%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
20...	120%	120%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
21...	120%	120%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
22...	120%	120%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
23...	121	121	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
24...	121%	121%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
25...	121%	121%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
26...	121	121	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
27...	121%	121%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
28...	121%	121%	123%	121%	121%	120%	120%	120%	120%	120%	110%	110%
29...	123	122%	124%	124%	124%	123	121%	121%	121%	121%	112%	112%
30...	123%	123%	125	123%	123%	122%	122%	122%	122%	122%	114%	114%
31...	125%	123%	125%	123%	123%	122%	122%	122%	122%	122%	114%	114%
First...	117%	117%	121%	117%	118%	116%	115%	116%	108			
Highest...	123%	122%	125%	128%	129%	122%	122%	122%	122	114%		
Lowest...	116%	117%	121%	117%	118%	116%	115%	116%	107%			
Last...	123%	123%	125%	128%	128%	122%	122%	122%	122	114%		

## COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.	Cons for mon. U.S. 5-20s	Am. securities. Ill.C sh's.	Erie sh's.	Date.	Cons for mon. U.S. 5-20s	Am. securities. Ill.C sh's.	Erie sh's.		
Thursday	1	92%	80%	95	19%	93%	88	91%	19
Friday	2	92%	81%	95	19%	93%	82%	94%	19
Saturday	3	92%	81%	95%	19%	93%	82%	94%	19
Monday	5	93%	83	95%	19%	93%	82%	94%	19
Tuesday	6	93%	81%	95%	19%	93%	82%	94	19
Wednesday	7	93%	81%	96	19%	93%	88%	98%	19%
Thursday	8	93%	81%	95%	19%	93%	88%	94	19%
Friday	9	93%	81%	95	18%	93%	88%	94	19%
Saturday	10	91	81%	95%	18%	93%	88%	94	19%
Monday	12	93%	81%	95%	18%	92%	80%	93	18%
Tuesday	13	93%	82	95%	18%	93%	88%	96	19%
Wednesday	14	93%	81%	95%	18%	93%	88%	94	18%
Thursday	15	93%	82%	93	19%	93%	88%	94	19%
Friday	16	93%	82	98	19%	92%	74%	92%	17%
Saturday	17	96%	83%	98%	19%	94	84	98%	26%
Monday	19	93%	82%	93%	19%	94	84	98%	26%
Tuesday	20	93%	82%	93%	19%	94	9%	6%	9%
Wednesday	21	93%	83%	94%	19	93%	88%	94	19%
Thursday	22	93%	83%	95	19	93%	88%	94	19%
				Low	Since 1	92%	74%	92%	17%
				Hig	Jan.	94	84	98%	26%
				Rng	Jan.	94	9%	6%	9%
				Last	Jan.	93%	88%	94	19%

Gold has attracted little speculative interest, and the business at the Gold Room has been very light. There appears to have been considerable disappointment of the expectations of operators relative to the exports of specie, the shipments having been comparatively light, while it was supposed, from the late large excess of imports over exports, and the heavy interest payments to be made to Europe during July, we should have to ship large amounts of gold. While, therefore, it was predicted in some quarters, at the opening of the month, that upon these grounds the price would advance from 137½ to 140, it steadily declined to 134½, and ranged for the most part below 136. During the month of July, last year, the price ranged between 140½ and 145½; in 1867, between 138 and 140½, and in 1866 between 147 and 145½. The supply on the market has been increased during the month, through the government payments of July interest and the Treasury sales of \$2,000,000 of coin; and hence on the 1st of August there was over \$36,000,000 of private gold held on deposit in the Treasury, the largest amount ever reached.

[August,

## COURSE OF GOLD AT NEW YORK.

Date.	Open'	Lowest	Highest	Closing	Date.	Open'	Lowest	Highest	Closing
Thursday.....	1 137½	136½	137½	137	Friday.....	23 135½	135½	135½	135½
Friday.....	2 137½	136½	137½	136½	Saturday.....	24 135½	135½	136½	136½
Saturday.....	3 137	136½	137½	136½	M. Monday.....	26 136½	136½	137½	137½
Monday.....	5	136½	137½	136½	Tuesday.....	27 137½	137½	137½	137
Tuesday.....	6 137	136½	137	135½	Wednesday.....	28 136½	135½	136½	135½
Wednesday.....	7 135½	134½	135½	135	Thursday.....	29 135½	135½	136½	136½
Thursday.....	8 136½	135½	135½	135	Friday.....	30 136½	136½	136½	136½
Friday.....	9 136	135½	136½	136	Saturday.....	31 136½	136½	136½	136½
Saturday.....	10 135½	135½	135½	135	July 1, 1869.....	137½	134½	137½	136½
Monday.....	12 136½	136½	137½	137	".....	140½	140½	145½	145½
Tuesday.....	13 137½	136½	137½	137	".....	138½	138	140½	140
Wednesday.....	14 137½	137	137½	137	".....	136½	135½	137½	137
Thursday.....	15 1 7	136½	137	135½	".....	141	135½	147	135½
Friday.....	16 136½	135½	136½	135	".....	141	138½	146½	144
Saturday.....	17 135½	135½	135½	135	".....	122	22	285	255
Monday.....	19 136½	135½	135½	135	".....	144½	133½	145	143½
Tuesday.....	20 135½	135½	135½	135	".....	109	108½	120½	115
Wednesday.....	21 135½	135	135½	135	".....	134½	130½	144½	136½
Thursday.....	22 135½	135½	135½	135	See Jan 1, 1869.....				134½

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of June and July, 1869 :

Railroad Stocks—	June				July			
	Open.	High.	Low.	Clos.	Open.	High.	Low.	Clos.
Alton & Terre Haute.....	88	89	88	89	...	...	...	...
" " " prel.....	64	68	59	60	60	63½	59½	59½
Chicago & Alton.....	157	162	152½	160	162	166	158	166
do do pref.....	159	160	159	160	160½	166	159	166
Chicago, Burl. & Quincy.....	197	199	190	190	191	191	188	190
do & Northwest'n.....	98½	98½	77½	81½	82½	81	78½	80½
do do pref.....	104½	105½	98½	95½	96½	96½	93½	95½
do & Rock Island.....	136½	128	115	118½	118½	118½	118½	114½
Columb., Chic. & Ind. C.....	43½	48½	39	40	38½	39½	36	36
Clev. & Pittsburg.....	105½	108½	91½	101	102	109½	102	107½
do Col., Cin. & Ind.....	75	75½	73	74	74	76	72	73
Del., Lack. & Western.....	117	119	113	113	112½	113	110	112½
Dubuque & Sioux city.....	108	109	105	107	105	105	102	104½
Harlem.....	153	157	143	146½	144	168½	142½	163½
Hannibal & St. Joseph.....	120	139	117½	120	119	133	115	126½
do do pref.....	129½	134	118	120	119½	130	119	126
Hudson River.....	151½	166½	153½	165	165½	194	159½	187½
Illinois Central.....	146½	147	143	145	142½	146	140½	141½
Joliet & Chicago.....	96	96	96	96	...	...	...	...
Long Island.....	50	50	50	50	50	50	50	50
Lake Shore.....	116½	117	107½	107½	110½	110½	104½	105½
do Mich. South.....	103	108½	102½	103	103	110½	120	120
Macen & Western.....	...	...	...	...	...	...	...	...
Mar. & Cincin. 1st.....	23½	23½	23	23	23	23	23	23
" " 2d "	8½	8½	8½	8½	9½	9½	9½	9½
Michigan Central.....	131	136½	128	133½	120	136½	117½	131½
do S. & N. Ind.....	118½	119	107½	107½	...	...	...	...
Milwaukee & St. Paul.....	79½	80	70½	75½	76	78½	73	77½
do do pref.....	91	91½	81½	86½	86	89½	84½	87½
Morris & Essex.....	90½	93½	89	89½	89½	90	87½	91½
New Jersey.....	131	133	130	133	...	...	...	...
do Central.....	117	122½	103	103	104½	104½	97	102½
New York Central.....	191½	197½	183	195½	196½	217½	189½	215
do N. Haven.....	139	140	135	136	127	131	125½	131
do do scrip.....	123	125	124½	124½	124	128	124	128
Norwich & Worcester.....	105	105	105	105	104½	105	104½	105
Ohio & Mississippi.....	85½	87	82	83	82½	82½	81½	82½
do do pref.....	70	70	70	70	...	...	...	...
Panama.....	300	300	295	295	295	295	270	270
Pittsb., Ft. W. & Chica.....	156½	159	152½	155½	156	157½	150	153½
Reading.....	100½	100½	96½	97½	98½	99½	92½	97½
Rome, W. & Ogdensb'g.....	125	125	125	125	...	...	...	...
Toledo, Wab. & Western.....	77½	77½	66½	72	72½	77	71½	75
do do do pref.....	82	82	80	81	76	86	76	89
Miscellaneous—								
Cumberland Coal.....	86	86	83½	84½	83	83½	80	83½
Pennsylvania.....	225	225	225	225	225	225	225	225
Wilk-Barrie Coal.....	45	66	45	65	55	62	55	62
Del. & Hud. Canal.....	133	134	130	131	131	131	127	127
Pacific Mail.....	81½	98½	80½	88½	88½	92½	81½	91½

Boston Water Power .....	16%	17	16½	16	15½	15½	1½	15½
Canton .....	66½	68	62	62	62½	62½	60	60
Brunswick City .....	8%	11	8½	11	11	11	11	11
Mariposa .....	24	24½	7	8	9	9	8½	9
do 1st pref.	82	83	8½	8½	...	...	...	...
do pref.	50%	50%	14	16½	16	17	15	16
Quicksilver .....	16%	18%	14	16½	15	16½	15½	16
West Union Telegraph .....	48½	43½	33	39	38%	39	36	37½
Citizen's Gas .....	260	250	250	250	...	...	...	...
Manhattan Gas .....	109	110	108	110	...	...	...	...
Bankers & Brokers Ass. Express—								
American .....	40%	40%	40%	40%	...	...	...	...
American M. Union .....	89%	44%	9	41½	42½	48%	39%	42
Adams .....	59%	68%	58	63	62	62	58%	59%
United States .....	67	73	66	72½	70	75	69%	70
Merchant's Union .....	15	15½	14	16	6	6	6	6
Wells, Fargo & Co. ....	30%	32%	29½	33	31%	31%	21%	21%

Foreign Exchange has been steady at about specie shipping rates; the supply of commercial bills and of bond bills, however, has proved sufficient to obviate the necessity of any considerable covering of draft+ with specie.

#### COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London.	Paris.	Amsterdam.	Bremen.	Hamburg.	Berlin
	cents for	centimes	cents for	cents for	cents for	cents for
1.....	54 pence.	fordollar.	florin.	rix daler.	M. banco.	thaler.
1.....	109½@109%	517½@515½	40%@40%	78½@78½	85½@85%	71 @71½
2.....	109½@109%	516½@515	40%@40%	78½@78½	85½@85%	71 @71½
3.....	109½@109%	516½@515	40%@40%	75½@73½	85½@85%	71 @71½
5.....	(@)	(@)	Holiday.	(@)	(@)	(@)
6.....	109½@109%	516½@515	40%@40%	78½@78½	85½@85%	71 @71½
7.....	109½@110	515 @513½	40%@40%	78½@78½	85½@85%	71 @71½
8.....	109½@110	515 @514½	40%@40%	79 @79½	85½@86	71½ @71½
9.....	109½@110	515 @514½	40%@40%	79 @79½	85½@86	71½ @71½
10.....	109½@110	515 @514½	40%@40%	79 @79½	85½@86	71½ @71½
12.....	109½@110	515 @514½	40%@40%	79 @79½	85½@86	71½ @71½
13.....	109½@110	515 @514½	40%@40%	79 @79½	85½@86	71½ @71½
14.....	109½@110	515 @514½	40%@40%	79 @79½	85½@86	71½ @71½
15.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
16.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
17.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
18.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
19.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
20.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
21.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
22.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
23.....	110 @110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
24.....	110 @1.0%	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
26.....	110½@110½	514½@513½	40%@40%	79 @79½	85½@86	71½ @71½
27.....	110½@110½	513½@513½	40%@40%	79 @79½	85½@86	71½ @71½
28.....	110½@110½	514½@513½	40%@40%	79 @79½	85½@86	71½ @71½
29.....	110½@110½	514½@513½	40%@40%	79 @79½	85½@86	71½ @71½
30.....	110½@110½	514½@513½	40%@40%	79 @79½	85½@86	71½ @71½
31.....	110½@110½	514½@513½	40%@40%	79 @79½	85½@86	71½ @71½
July,						
1860.....	109½@110½	517½@513½	40%@40%	78½@79½	85½@86½	71 @71½
July,						
1863.....	110 @110½	513½@512½	41½@41½	79½@80	86½@86½	71½@72

## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. c'eargs.
January 2....	\$259,090,037	\$20,736,122	\$34,379,609	\$180,490,445	\$18,896,421	\$585,304,799
January 9....	258,792,562	27,334,780	34,314,156	187,908,539	51,141,128	701,772,051
January 16...	262,328,883	29,258,536	34,279,158	195,484,843	52,927,083	675,795,611
January 23...	264,954,619	28,864,197	31,205,916	197,101,163	54,022,119	671,234,542
January 30...	263,171,109	27,784,923	34,231,156	196,985,462	54,747,569	609,361,246
February 6...	266,541,733	27,929,404	34,246,436	196,602,899	53,424,133	670,329,470
February 13...	264,880,467	35,554,381	34,263,451	192,977,860	52,334,952	690,754,499
February 20...	263,425,063	28,311,191	34,247,321	187,612,546	50,997,197	50,991,049
February 27...	261,371,597	20,832,003	34,247,981	185,216,175	50,835,654	529,16,021
March 6....	262,050,883	19,486,634	34,275,885	182,604,437	49,145,269	727,148,131
March 13....	261,663,695	17,353,671	34,630,445	17,2,392,458	49,639,623	649,77,566
March 20....	263,098,302	15,213,306	34,741,310	183,501,999	50,714,874	730,710,003
March 27....	263,909,589	12,013,722	34,777,814	180,113,910	50,555,103	797,987,488
April 3.....	261,933,673	10,737,889	31,816,916	175,325,789	48,496,359	837,23,692

[August,

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'gs.
April 10.	257,480,327	8,791,543	84,609,360	171,425,520	48,644,732	\$10,455,455
April 17.	255,184,889	7,811,779	84,426,769	172,203,494	51,001,88	773,945,294
April 24.	257,455,074	8,850,160	84,060,51	171,310,080	51,677,598	754,905,766
May 1.	260,425,160	9,267,65	83,972,059	183,948,565	56,495,732	768,168,349
May 8.	263,436,373	16,081,459	88,986,160	191,8,3,37	55,109,573	901,124,577
May 15.	269,493,897	15,374,769	83,972,793	199,393,449	56,501,356	860,720,880
May 22.	270,275,952	15,429,404	83,927,386	199,414,869	57,8,8,98	788,747,882
May 29.	274,955,461	17,871,230	83,920,835	203,055,600	57,810,273	781,446,481
June 5.	275,919,609	19,051,153	83,9,2,955	199,124,042	57,289,429	766,28,026
June 12.	271,963,735	19,053,580	84,144,790	198,886,905	50,569,268	856,006,645
June 19.	265,341,906	19,025,444	84,198,829	186,214,110	49,612,488	836,224,021
June 26.	260,431,733	20,2,7,140	84,214,795	181,774,695	48,163,920	76,170,748
J. ly 3.	255,368,471	23,520,267	84,217,973	179,929,467	48,787,363	46,763,300
July 0.	255,424,942	30,266,912	84,217,945	183,197,239	48,7,2,723	676,540,391
July 17.	257,008,259	31,055,450	81,178,487	188,481,71	51,859,706	711,328,111
July 4.	259,641,889	30,079,474	84,110,708	193,622,26	51,271,862	5,8,455,097
July 31.	260,530,225	27,3,1,933	84,168,677	196,416,443	56,101,677	614,455,487

## PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.	\$51,716,909	\$353,483	\$18,210,397	\$34,21,023	\$10,593,719
January 11.	51,642,237	544,691	13,49,109	38,168,511	10,59,4,372
January 18.	52,124,739	478,462	13,729,493	39,625,158	10,596,560
January 25.	52,537,015	411,837	14,054,570	9,558,462	10,598,914
February 1.	52,682,913	8,2,783	14,26,6,570	29,677,943	10,599,351
February 8.	53,059,716	337,051	13,753,595	40,080,399	10,586,553
February 15.	52,929,301	804,681	13,573,043	38,711,573	10,84,326
February 22.	52,416,146	21,307	13,208,607	37,990,986	10,48,546
March 1.	52,261,351	256,988	13,010,508	37,755,205	10,458,546
March 8.	52,382,000	297,887	13,258,201	38,293,956	10,458,553
March 15.	51,911,532	277,517	13,028,207	37,57,582	10,459,061
March 22.	51,328,419	225,097	12,765,759	36,960,009	10,461,406
March 29.	50,597,109	210,644	13,021,315	36,863,344	10,472,420
April 5.	50,493,866	159,038	12,169,221	35,375,854	19,624,396
April 12.	50,770,193	181,246	12,643,357	36,029,123	10,628,166
April 19.	51,478,371	167,818	12,941,733	37,031,747	10,629,425
April 26.	51,294,323	164,261	13,640,063	37,487,285	10,634,407
May 3.	51,510,981	261,753	14,240,371	38,971,281	10,617,815
May 10.	51,930,530	270,525	14,623,803	39,178,803	10,617,934
May 17.	52,168,826	276,167	14,696,363	40,692,742	10,614,612
May 24.	52,381,764	174,113	15,087,008	41,6,1,4,0	10,618,246
May 31.	52,210,874	185,357	15,484,947	42,47,319	10,6,8,561
June 7.	52,826,257	169,316	15,37,888	42,30,030	10,610,990
June 14.	53,124,800	152,451	15,178,332	42,005,077	10,611,932
June 21.	53,810,095	148,795	14,972,123	42,066,901	10,617,864
June 28.	53,661,172	180,684	14,567,327	41,517,716	10,622,704
July 5.	53,937,521	203,621	14,0,1,449	41,321,537	10,618,845
July 12.	53,140,735	485,293	13,415,493	40,140,497	10,618,275
July 19.	53,123,598	456,751	12,944,886	39,834,862	10,618,766
July 26.	52,463,100	390,377	13,076,180	36,160,644	10,6,4,973

## BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4.	\$68,423,644	\$1,203,401	\$12,938,333	\$31,538,767	\$5,151,345
January 11.	100,727,07	3,075,844	12,864,700	38,082,891	25,276,667
January 18.	102,205,209	2,677,688	12,992,327	39,717,193	25,343,523
January 25.	102,959,943	2,394,730	13,228,874	39,551,747	25,272,300
February 1.	103,696,853	2,161,284	12,964,225	40,228,462	25,312,947
February 8.	104,324,425	2,073,908	13,452,793	39,693,87	25,2,3,057
February 15.	103,215,04	1,845,524	11,642,856	37,759,7,2	15,352,122
February 22.	102,352,632	1,545,418	11,60,790	36,323,814	25,304,055
March 1.	101,309,589	1,238,936	11,200,149	35,89,468	25,201,527
March 8.	101,425,932	1,297,599	10,985,972	35,5,5,680	25,35,377
March 15.	100,820,303	1,2,7,315	10,869,183	34,051,715	25,351,654
March 22.	99,553,319	1,320,861	10,490,448	32,641,0,7	24,559,312
March 29.	99,670,945	937,769	11,646,222	32,930,430	25,254,167
April 5.	96,909,714	862,376	11,348,884	33,504,099	24,71,716
April 12.	99,625,473	750,160	11,391,539	34,392,377	25,338,782
April 19.	99,115,50	639,460	11,4,9,995	34,257,071	25,351,844
April 26.	98,971,711	617,435	12,361,827	35,302,203	25,319,751
May 3.	100,127,413	703,963	12,352,113	36,735,743	25,330,060
May 10.	100,555,542	1,387,749	12,5,8,473	37,457,897	25,321,532
May 17.	101,474,527	1,134,88	12,88,527	38,708,304	25,09,662
May 24.	102,042,184	934,560	13,19,542	38,947,881	25,290,382
May 31.	102,573,378	772,397	13,696,837	38,403,634	25,173,392
June 7.	103,643,849	640,582	13,454,661	38,491,446	25,292,157
June 14.	104,352,548	601,743	12,645,615	37,408,719	25,247,667
June 21.	103,691,638	959,796	12,087,305	36,243,995	25,313,661
June 28.	102,515,823	1,105,663	11,784,803	34,331,417	25,304,858
July 13.	102,633,948	3,140,676	9,595,668	34,851,745	25,335,701
July 19.	101,405,241	3,255,151	9,511,879	31,520,417	25,325,036
July 26.	102,704,540	3,034,595	9,793,461	35,211,108	25,251,304